

1 TO THE HONORABLE SENATE:

2 The Committee on Economic Development, Housing and General Affairs to
3 which was referred House Bill No. 107 entitled “An act relating to paid family
4 leave” respectfully reports that it has considered the same and recommends
5 that the Senate propose to the House that the bill be amended by striking out all
6 after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. PURPOSE

8 It is the intent of the General Assembly that:

9 (1) the Family and Medical Leave Insurance Program established by this
10 act shall provide employees with affordable Family and Medical Leave
11 Insurance benefits;

12 (2) the Commissioner of Financial Regulation shall seek a private
13 insurance carrier to provide the benefits required under the Program;

14 (3) if the Commissioner is able to identify an insurance carrier that can
15 provide the required benefits in a more cost-effective manner than would be
16 possible if benefits were provided by the State, the Commissioner shall enter
17 into a contract with that insurance carrier to administer the Program and
18 provide the benefits required by this act beginning in October of 2020; and

19 (4) if the Commissioner is unable to identify a suitable insurance carrier,
20 the Program shall be administered by the Department of Labor in coordination

1 with the Departments of Financial Regulation and of Taxes, and benefits shall
2 become available beginning in July of 2022.

3 Sec. 2. 21 V.S.A. chapter 5, subchapter 13 is added to read:

4 Subchapter 13. Family and Medical Leave Insurance

5 § 571. DEFINITIONS

6 As used in this subchapter:

7 (1) “Average weekly wage” means the employee’s total wages from his
8 or her two highest-earning quarters in the last four completed calendar quarters
9 divided by 26.

10 (2) “Bonding leave” means a leave of absence from employment by an
11 employee for:

12 (A) the employee’s pregnancy;

13 (B) the birth of the employee’s child; or

14 (C) the initial placement of a child 18 years of age or younger with
15 the employee for the purpose of adoption or foster care.

16 (3) “Domestic partner” has the same meaning as in 17 V.S.A. § 2414.

17 (4) “Employee” means an individual who receives payments with
18 respect to services performed for an employer from which the employer is
19 required to withhold Vermont income tax pursuant to 32 V.S.A. chapter 151,
20 subchapter 4.

1 (5) “Employer” means an individual, organization, governmental body,
2 partnership, association, corporation, legal representative, trustee, receiver,
3 trustee in bankruptcy, and any common carrier by rail, motor, water, air, or
4 express company doing business in or operating within this State.

5 (6) “Family member” means:

6 (A) the employee’s child or foster child;

7 (B) a step child or ward who lives with the employee;

8 (C) the employee’s spouse, domestic partner, or civil union partner;

9 (D) the employee’s parent or the parent of the employee’s spouse,
10 domestic partner, or civil union partner;

11 (E) the employee’s sibling;

12 (F) the employee’s grandparent; or

13 (G) a child for whom the employee stands in loco parentis or an
14 individual who stood in loco parentis for the employee when he or she was a
15 child.

16 (7) “In loco parentis” means a child for whom the employee has day-to-
17 day responsibilities to care for and financially support, or, in the case of the
18 employee, an individual who had such responsibility for the employee when he
19 or she was a child.

1 (8) “Medical leave” means a leave of absence from employment by an
2 employee for a serious illness of the employee’s family member.

3 (9) “Qualified employee” means an employee who has:

4 (A) earned wages from which contributions were withheld pursuant
5 to section 574 of this subchapter during at least two of the last four completed
6 calendar quarters; and

7 (B) earned wages from which contributions were withheld pursuant
8 to section 574 of this subchapter during the last four completed calendar
9 quarters in an amount that is equal to or greater than 1,040 hours at the
10 minimum wage established pursuant to section 384 of this chapter.

11 (10) “Serious illness” means an accident, disease, or physical or mental
12 condition that:

13 (A) poses imminent danger of death;

14 (B) requires inpatient care in a hospital; or

15 (C) requires continuing in-home care under the direction of a
16 physician.

17 (11) “Vermont average weekly wage” means the most recent average
18 weekly wage for Vermont as calculated by the U.S. Bureau of Labor Statistics.

19 (12) “Wages” means payments that are included in the definition of
20 wages set forth in 26 U.S.C. § 3401.

1 § 572. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM;

2 ADMINISTRATION

3 (a) The Family and Medical Leave Insurance Program is established in the
4 Department of Labor for the provision of Family and Medical Leave Insurance
5 benefits to eligible employees pursuant to this section.

6 (b)(1) The Commissioner of Financial Regulation shall endeavor to
7 identify and contract with a suitable insurance company to provide paid family
8 and medical leave insurance in accordance with this subchapter.

9 (2)(A) On or before July 1, 2019, the Commissioner of Financial
10 Regulation, in consultation with the Commissioners of Human Resources, of
11 Labor, and of Taxes, shall develop and issue a request for information related
12 to the provision of family and medical leave insurance by a private insurance
13 carrier on behalf of the State that satisfies the requirements of this subchapter.
14 The request for information shall also seek input regarding the cost and
15 administrative feasibility of the insurance carrier administering the collection
16 of contributions on behalf of the Department of Taxes pursuant to section 574
17 of this subchapter.

18 (B) Responses to the request for information shall be due on or
19 before August 15, 2019.

20 (3) On or before September 1, 2019, the Commissioner of Financial
21 Regulation, in consultation with the Commissioners of Human Resources, of

1 Labor, and of Taxes, shall develop and issue a request for proposals for an
2 insurance carrier to provide family and medical leave insurance that satisfies
3 the requirements of this subchapter. An insurance carrier shall not be selected
4 unless it can demonstrate that it would be able to provide the required family
5 and medical leave insurance benefits and comply with the provisions of this
6 subchapter in a more cost-effective manner than if the Family and Medical
7 Leave Insurance Program were administered by the State.

8 (4) The Commissioner of Financial Regulation, in consultation with the
9 Commissioners of Human Resources, of Labor, and of Taxes, shall evaluate
10 the proposals received in response to the request for proposals and shall select,
11 on or before November 15, 2019, the proposal that the Commissioner
12 determines:

13 (A) best satisfies the requirements of this subchapter;

14 (B) will provide the required family and medical leave insurance
15 benefits and comply with the provisions of this subchapter in a more cost-
16 effective manner than if the Family and Medical Leave Insurance Program
17 were administered by the State; and

18 (C) delivers the greatest value to the State and Vermont's employees
19 and employers.

20 (5) An agreement with an insurance carrier to provide family and
21 medical leave insurance pursuant to this subsection shall include a clause that

1 permits the Commissioner of Financial Regulation to terminate the agreement
2 for noncompliance with this chapter.

3 (6)(A) An agreement with an insurance carrier pursuant to this
4 subsection shall be for a period of not more than four years.

5 (B) Not later than six months prior to the expiration on the agreement
6 pursuant to this subsection, the Commissioner of Financial Regulation shall
7 determine whether to renew the agreement for an additional period of not more
8 than four years or to issue a new request for proposals for an insurance carrier
9 to provide family and medical leave insurance that satisfies the requirements of
10 this subchapter.

11 (7) The insurance carrier shall have its books and financial records
12 related to the provision of family and medical leave insurance pursuant to this
13 subsection audited annually and shall provide a copy of the annual audit to the
14 Commissioner of Financial Regulation.

15 (c)(1) In the event that the Commissioner of Financial Regulation is unable
16 to secure a suitable insurance carrier pursuant to subsection (b) of this section,
17 the Paid Family and Medical Leave Insurance Program shall be administered
18 by the Department of Labor pursuant to the provisions of this subchapter.

19 (2) In the event that the Paid Family and Medical leave Insurance
20 Program is administered by the Department of Labor, the Commissioner of
21 Labor may contract with a third-party administrator for actuarial support, fund

1 administration, the processing of benefits claims and payments, and the initial
2 determination of appeals.

3 § 573. CONTRIBUTIONS

4 (a) An employer that does not elect to meet its obligations under this
5 subchapter as provided pursuant to section 577 shall remit the contributions
6 required by subsection (b) of this section to the Commissioner of Taxes on a
7 quarterly basis as provided pursuant to 32 V.S.A. § 5842(a)(1) beginning with
8 the calendar quarter that starts on April 1, 2020.

9 (b)(1) Contributions shall be equal to 0.21 percent of each employee's
10 covered wages.

11 (2)(A) One-half of the contribution required pursuant subdivision (1) of
12 this subsection shall be deducted and withheld by an employer from an
13 employee's covered wages, and one-half shall be paid by the employee's
14 employer.

15 (B) In lieu of deducting and withholding the full amount of the
16 contributions due from the employee's covered wages pursuant to subdivision
17 (A) of this subdivision (2), an employer may elect to pay all or a portion of the
18 contributions due from the employee's covered wages.

19 (c) As used in this section, the term "covered wages" shall include all
20 wages paid to an employee up to the amount of the maximum Social Security
21 Taxable Wage.

1 (d)(1) The General Assembly shall annually review and, if necessary,
2 adjust the rate of contribution established pursuant to subsection (b) of this
3 section for the next fiscal year. The rate shall equal the amount necessary to
4 provide Family and Medical Leave Insurance benefits pursuant to this
5 subchapter, to administer the Family and Medical Leave Insurance Program
6 during the next fiscal year, and, if a reserve is necessary, to ensure that it is
7 adequately funded.

8 (2) On or before February 1 of each year, the Commissioner of Financial
9 Regulation, in consultation with the insurance carrier that the State has
10 contracted with, if any, and the Commissioners of Labor and of Taxes, shall
11 report to the General Assembly the rate of contribution necessary to provide
12 Family and Medical Leave Insurance benefits pursuant to this subchapter, to
13 administer the Program during the next fiscal year, and, if a reserve is
14 necessary, to ensure that it is adequately funded.

15 § 574. COLLECTION OF CONTRIBUTIONS; REMITTANCE

16 (a) The Commissioner of Taxes shall collect all contributions required
17 pursuant to section 573 of this subchapter and deposit them into the Family
18 and Medical Leave Insurance Special Fund.

19 (b)(1) The Commissioner of Taxes shall require the withholding of the
20 contributions required pursuant to section 573 of this subchapter from wages
21 paid by any employer, as if the contributions were an additional Vermont

1 income tax subject to the withholding requirements of 32 V.S.A. § 5841(a).

2 The administrative and enforcement provisions of 32 V.S.A. chapter 151,
3 subchapter 4 shall apply to the withholding requirement under this section as if
4 the contributions withheld were a Vermont income tax.

5 (2) An employer that has received approval from the Commissioner of
6 Financial Regulation for an alternative insurance or benefit plan pursuant to the
7 provisions of section 577 shall not be required to withhold contributions
8 pursuant to this section.

9 (c)(1) The Commissioner of Taxes may enter into a memorandum of
10 understanding with the private insurance carrier contracted with by the
11 Commissioner of Financial Regulation pursuant to section 572 of this
12 subchapter, the Commissioner of Financial Regulation, or the Commissioner
13 of Labor as the Commissioner of Taxes determines is necessary to carry out
14 the provisions of this section.

15 (2) The Commissioner of Taxes may contract with the private insurance
16 carrier contracted with by the Commissioner of Financial Regulation pursuant
17 to section 572 of this subchapter to administer the collection of contributions
18 pursuant to this section.

1 § 575. BENEFITS

2 (a)(1) A qualified employee shall be permitted to receive a total of not
3 more than 12 weeks of Family and Medical Leave Insurance benefits in a
4 calendar year, which may include:

5 (A) up to 12 weeks of benefits for bonding leave taken by the
6 employee; and

7 (B) up to six weeks of benefits for medical leave taken by the
8 employee.

9 (2) Notwithstanding subdivision (1)(B) of this subsection, a qualified
10 employee shall not be permitted to take medical leave for his or her sibling or
11 grandparent if the sibling or grandparent is another qualified employee's:

12 (A) child or foster child;

13 (B) step child or ward who lives with the qualified employee;

14 (C) spouse, domestic partner, or civil union partner;

15 (D) parent or the parent of the qualified employee's spouse, domestic
16 partner, or civil union partner; or

17 (E) a child for whom the qualified employee stands in loco parentis
18 or an individual who stood in loco parentis for the qualified employee when he
19 or she was a child.

1 **(b)(1) The weekly benefit amount for a qualified employee awarded Family**
2 **and Medical Leave Insurance benefits under this section shall be determined as**
3 **follows:**

4 **(A) the portion of the qualified employee’s average weekly wage that**
5 **is less than or equal to 55 percent of the Vermont average weekly wage shall**
6 **be replaced at a rate of 90 percent; and**

7 **(B) the portion of the qualified employee’s average weekly wage that**
8 **is greater than 55 percent of the Vermont average weekly wage shall be**
9 **replaced at a rate of 55 percent.**

10 (2) Notwithstanding subdivision (1) of this subsection, no qualified
11 employee may receive Parental and Family Leave Insurance benefits that
12 exceed **the Vermont average weekly wage.**

13 (c)(1) After the occurrence of a medical leave event, a qualified employee
14 shall wait for a period of one week for which he or she shall not be eligible to
15 receive Family and Medical Leave Insurance benefits.

16 (2) A qualified employee shall only have one waiting period in a
17 calendar year.

18 (3) No waiting period shall be required before a qualified employee is
19 eligible to receive Family and Medical Leave Insurance benefits in relation to a
20 bonding leave.

1 (d) A qualified employee may receive Family and Medical Leave Insurance
2 benefits for an intermittent leave or leave for a portion of a week. The benefit
3 amount for an intermittent leave or leave for a portion of a week shall be
4 calculated in increments of one full day or one fifth of the qualified employee's
5 weekly benefit amount.

6 (e) A bonding leave or medical leave for which benefits are paid pursuant
7 to this subchapter shall run concurrently with a leave taken pursuant to
8 section 472 of this title or the federal Family and Medical Leave Act,
9 29 U.S.C. §§ 2611–2654.

10 (f)(1) A qualified employee shall not be permitted to receive Family and
11 Medical Leave Insurance benefits for any day for which he or she is receiving:

12 (A) wages;

13 (B) payment for the use of vacation leave, sick leave, or other
14 accrued paid leave;

15 (C) payment pursuant to a disability insurance plan;

16 (D) unemployment insurance benefits pursuant to 21 V.S.A.
17 chapter 17 or the law of any other state; or

18 (E) compensation for temporary partial disability or temporary total
19 disability pursuant to 21 V.S.A. chapter 9, the workers' compensation law of
20 any state, or any similar law of the United States.

1 (2) Notwithstanding subdivision (1) of this subsection, an employer may
2 provide its employees with additional income to supplement the amount of the
3 benefits provided pursuant to this section provided that the sum of the
4 additional income and the benefits provided pursuant to this section does not
5 exceed the employee’s average weekly wage.

6 § 576. APPLICATION FOR BENEFITS; PAYMENT; TAX

7 WITHHOLDING

8 (a) A qualified employee, or his or her agent, shall file an application for
9 Family and Medical Leave Insurance benefits under this subchapter on a form
10 approved by the Commissioner of Labor. The determination of whether the
11 qualified employee is eligible to receive Family and Medical Leave Insurance
12 benefits shall be based on the following criteria:

13 (1) The claim is for a bonding leave or a medical leave and the need for
14 the leave is adequately documented.

15 (2) The claimant satisfies the requirements to be a qualified employee as
16 defined pursuant to **subdivision 571(9)** of this subchapter.

17 (3) The claimant has specified the anticipated start date and duration of
18 the leave.

19 (b)(1) A determination shall be made in relation to each claim within not
20 more than five business days after the date the claim is filed. The time to make
21 a determination on a claim may be extended by not more than 15 business days

1 if necessary to obtain documents or information that are needed to make the
2 determination.

3 (2) An application for Family and Medical Leave Insurance benefits
4 may be filed:

5 (A) up to 60 days before an anticipated leave; or

6 (B) in the event of a premature birth or an unanticipated serious
7 illness, within 60 days after the leave begins.

8 (3)(A) Benefits shall be paid to a qualified employee for the time period
9 beginning on the day his or her leave began.

10 (B) The first benefit payment shall be sent to the qualified employee
11 within 14 days after the leave begins or the claim is approved, whichever is
12 later, and subsequent payments shall be sent biweekly.

13 (4) The provisions of section 1367 of this title shall apply to Family and
14 Medical Leave Insurance benefits.

15 (c)(1) An individual filing a claim for Family and Medical Leave Insurance
16 benefits shall, at the time of filing, be advised that Family and Medical Leave
17 Insurance benefits may be subject to income tax and that the individual's
18 benefits may be subject to withholding.

19 (2) All procedures specified by 26 U.S.C. chapter 24 and 32 V.S.A.
20 chapter 151, subchapter 4 pertaining to the withholding of income tax shall be

1 followed in relation to the payment of Family and Medical Leave Insurance
2 benefits.

3 (d) As used in this section, “agent” means an individual who holds a valid
4 power of attorney for the employee or other legal authorization to act on the
5 employee’s behalf that is acceptable to the Commissioner of Labor.

6 § 577. EMPLOYER OPTION; ALTERNATIVE INSURANCE OR

7 BENEFITS

8 (a) As an alternative to and in lieu of participating in the Family and
9 Medical Leave Insurance Program, an employer may, upon approval by the
10 Commissioner of Financial Regulation, comply with the requirements of this
11 subchapter through the use of an alternative insurance plan or benefit plan that
12 provides to all of its employees benefits for bonding and medical leave that are
13 equivalent to or more generous than the benefits provided pursuant to this
14 subchapter. An employer may elect to provide such benefits by:

15 (1) establishing and maintaining to the satisfaction of the Commissioner
16 of Financial Regulation self-insurance necessary to provide equivalent or
17 greater benefits;

18 (2) purchasing insurance coverage for the payment of equivalent or
19 greater benefits from any insurance carrier authorized to provide family and
20 medical leave insurance in this State;

1 (3) establishing an employee benefits plan that provides equivalent or
2 greater benefits; or

3 (4) any combination of subdivisions (1) through (3) of this subsection.

4 (b)(1) The Commissioner of Financial Regulation may approve an
5 alternative insurance or benefit plan under this section upon making a
6 determination that it provides benefits that are equivalent to or more generous
7 than the benefits provided pursuant to this subchapter.

8 (2)(A) Nothing in this section shall be construed to required that the
9 benefits provided by an alternative insurance or benefit plan be identical to the
10 benefits provided pursuant to this subchapter.

11 (B) The Commissioner shall determine whether the benefits provided
12 by a proposed alternative insurance or benefit plan are equivalent to or more
13 generous than the benefits provided pursuant to this subchapter by weighing
14 the relative value of the alternative plan's length of leave, wage replacement,
15 and cost to employees against the provisions of this subchapter.

16 (c)(1) Except as otherwise provided pursuant to subdivision (4) of this
17 subsection, an alternative insurance or benefit plan shall only be permitted to
18 become effective on January 1 following its approval and shall remain in effect
19 until it is discontinued pursuant to subdivision (3) of this subsection.

20 (2)(A) An employer shall submit an application to the Commissioner of
21 Financial Regulation for approval of a new or modified alternative insurance or

1 benefit plan on or before October 15 of the calendar year prior to when it shall
2 take effect.

3 (B) The Commissioner shall make a determination and notify the
4 employer of whether its application has been approved on or before
5 December 1. If the application is approved, the Commissioner shall also
6 provide a copy of the notice to the Commissioners of Labor and of Taxes on or
7 before December 1.

8 (3) An employer may discontinue its alternative insurance or benefit
9 plan on January 1 of any year by filing notice of its intent to discontinue the
10 plan with the Commissioners of Financial Regulation, of Labor, and of Taxes
11 on or before November 1 of the prior year.

12 (4)(A) Notwithstanding any provisions of subdivisions (1) and (2) of
13 this subsection to the contrary, for calendar year 2020, an employer shall
14 submit an application for a new alternative insurance or benefit plan on or
15 before February 1.

16 (B) The Commissioner shall make a determination and notify the
17 employer of whether its application has been approved on or before March 15.
18 If the application is approved, the Commissioner shall also provide a copy of
19 the notice to the Commissioners of Labor and of Taxes on or before March 15.

20 (C) Beginning on April 1, 2020, an employer that receives approval
21 for an alternative insurance or benefit plan pursuant to this subdivision (4)

1 shall be exempt from withholding contributions as provided pursuant to
2 subdivision 574(b)(2) of this subchapter.

3 (d) Nothing in this subchapter shall be construed to diminish an employer's
4 obligation to comply with any collective bargaining agreement or paid time off
5 policy that provides more generous benefits than the benefits provided
6 pursuant to this subchapter.

7 § 578. DISQUALIFICATIONS

8 A qualified employee shall be disqualified for benefits for any week in
9 which he or she has received:

10 (1) compensation for temporary partial disability or temporary total
11 disability under the workers' compensation law of any state or under a similar
12 law of the United States; or

13 (2) unemployment insurance benefits under the law of any state.

14 § 579. APPEALS

15 (a) An employer or employee aggrieved by a decision under section 576 or
16 578 of this subchapter may file an initial appeal of the decision with the
17 insurance carrier that the State has contracted with.

18 (b) Within 20 days after receiving notice of the insurance carrier's decision
19 on the initial appeal, the employer or employee may appeal the decision to an
20 administrative law judge as provided pursuant to sections 1348 and 1351–1357
21 of this title.

1 (c) Within 30 days after receiving notice of the administrative law judge's
2 decision, either party may appeal that decision to the Supreme Court.

3 § 580. FALSE STATEMENT OR REPRESENTATION; PENALTY

4 A person who willfully makes a false statement or representation for the
5 purpose of obtaining any benefit or payment or to avoid payment of any
6 required contributions under the provisions of this subchapter, either for
7 himself or herself or for any other person, after notice and opportunity for
8 hearing, may be assessed an administrative penalty of not more than
9 \$20,000.00 and shall forfeit all or a portion of any right to benefits under the
10 provisions of this subchapter, as determined to be appropriate by the
11 Commissioner of Labor or Commissioner of Financial Regulation, as
12 appropriate.

13 § 581. REINSTATEMENT; SENIORITY AND BENEFITS PROTECTED

14 (a) The employer of an employee who receives Family and Medical Leave
15 Insurance benefits under this subchapter shall reinstate the employee at the
16 conclusion of his or her bonding leave or medical leave, provided the
17 employee does not take bonding leave or medical leave for a combined total of
18 more than 12 weeks in a calendar year. The employee shall be reinstated in the
19 first available suitable position given the position he or she held at the time his
20 or her leave began.

1 (b) Upon reinstatement, the employee shall regain seniority and any unused
2 accrued paid leave he or she was entitled to prior to the leave, less any accrued
3 paid leave used during the leave.

4 (c)(1) Nothing in this section shall be construed to diminish an employee's
5 rights pursuant to subsection 472(f) of this chapter.

6 (2) The provisions of this section shall not apply if:

7 (A) the employee had been given notice, or had given notice, prior to
8 the employee providing his or her employer with notice of the leave;

9 (B) the employer can demonstrate by clear and convincing evidence
10 that during the leave, or prior to the employee's reinstatement, the employee's
11 position would have been terminated or the employee laid off for reasons
12 unrelated to the leave or the reason for which the employee took the leave;

13 (C) the employee fails to inform the employer of:

14 (i) his or her interest in being reinstated at the conclusion of the
15 leave; and

16 (ii) the date on which his or her leave is anticipated to conclude; or

17 (D) more than two years have elapsed since the conclusion of the
18 employee's leave.

19 (d)(1) An employee aggrieved by an employer's failure to comply with the
20 provisions of this section may bring an action in the Civil Division of the
21 Superior Court in the county where the employment is located for

1 compensatory and punitive damages or equitable relief, including restraint of
2 prohibited acts, restitution of wages or other benefits, reinstatement, costs, and
3 other appropriate relief.

4 (2) A copy of the complaint shall be filed with the Commissioner of
5 Labor.

6 (3) The court shall award reasonable attorney's fees to the employee if
7 he or she prevails.

8 § 582. PROTECTION FROM RETALIATION OR INTERFERENCE

9 (a) An employer shall not discharge or in any other manner retaliate against
10 an employee who exercises or attempts to exercise his or her rights under this
11 subchapter. The provisions against retaliation in subdivision 495(a)(8) of this
12 title shall apply to this subchapter.

13 (b) An employer shall not interfere with, restrain, or otherwise prevent an
14 employee from exercising or attempting to exercise his or her rights pursuant
15 to this subchapter.

16 (c) An employee aggrieved by a violation of the provisions of this
17 subchapter may bring an action in Superior Court seeking compensatory and
18 punitive damages or equitable relief, including restraint of prohibited acts,
19 restitution of wages or other benefits, reinstatement, costs, reasonable
20 attorney's fees, and other appropriate relief.

1 § 583. CONFIDENTIALITY OF INFORMATION

2 (a) Information obtained from an employer or individual in the
3 administration of this subchapter and determinations of an individual’s right to
4 receive benefits that reveal an employer’s or individual’s identity in any
5 manner shall be kept confidential and, to the extent that such information is
6 obtained by the State, shall be exempt from public inspection and copying
7 under the Public Records Act. Such information shall not be admissible as
8 evidence in any action or proceeding other than one brought pursuant to the
9 provisions of this subchapter.

10 (b) Notwithstanding subsection (a) of this section:

11 (1) an individual or his or her duly authorized agent may be provided
12 with information to the extent necessary for the proper presentation of his or
13 her claim for benefits or to inform him or her of his or her existing or
14 prospective rights to benefits; and

15 (2) an employer may be provided with information that the
16 Commissioner of Financial Regulation, of Labor, or of Taxes determines is
17 necessary to enable the employer to discharge fully its obligations and protect
18 its rights under this subchapter.

1 § 584. RULEMAKING

2 (a) The Commissioner of Taxes shall adopt rules as necessary to implement
3 the provisions of section 574 of this subchapter. The rules adopted by the
4 Commissioner of Taxes shall include:

5 (1) procedures for the collection of contributions; and

6 (2) reporting and record-keeping requirements for employers.

7 (b) The Commissioner of Financial Regulation shall adopt rules as
8 necessary to implement the provisions of section 577 of this subchapter. The
9 rules adopted by the Commissioner of Financial Regulation shall include
10 requirements and criteria for the approval of an employer’s alternative
11 insurance or benefit plan pursuant to section 577 of this subchapter and for
12 determining whether a proposed plan provides benefits that are equivalent to or
13 more generous than the benefits provided pursuant to this subchapter.

14 (c)(1) The Commissioner of Labor shall adopt rules as necessary to
15 implement all other provisions of this subchapter. The rules adopted by the
16 Commissioner of Labor shall include:

17 (A) acceptable documentation for demonstrating eligibility for
18 benefits;

19 (B) requirements for providing certification from a health care
20 provider of the need for family leave that are modeled on the federal rules

1 governing certification of a serious health condition under the Family and
2 Medical Leave Act;

3 (C) requirements for obtaining authorization for an individual’s
4 health care provider to disclose information necessary to make a determination
5 of the individual’s eligibility for benefits;

6 (D) procedures for appeals pursuant to subsection 579(b) of this
7 subchapter; and

8 (E) rules to permit an employee to authorize the Department, in
9 compliance with all applicable provisions of federal law, to disclose
10 unemployment insurance information to the insurance carrier as necessary to
11 determine if the employee meets the requirements to be a qualified employee
12 as defined pursuant to subdivision 571(9) of this chapter.

13 (2) The Commissioner of Labor shall create a form that will permit an
14 employee to provide informed consent for the Department to disclose
15 unemployment insurance information to the insurance carrier as necessary to
16 determine if the employee meets the requirements to be a qualified employee
17 as defined pursuant to subdivision 571(9) of this chapter. The form shall
18 satisfy all applicable requirements under federal law.

19 § 585. FAMILY AND MEDICAL LEAVE INSURANCE SPECIAL FUND

20 The Family and Medical Leave Insurance Special Fund is created pursuant
21 to 32 V.S.A. chapter 7, subchapter 5. The Fund shall consist of contributions

1 collected from employers pursuant to section 574 of this subchapter. The Fund
2 may be expended by the Commissioners of Financial Regulation, of Labor, and
3 of Taxes for the payment of premiums for and the administration of the Family
4 and Medical Leave Insurance Program. All interest earned on Fund balances
5 shall be credited to the Fund.

6 Sec. 3. 21 V.S.A. § 586 is added to read:

7 § 586. OVERPAYMENT OF BENEFITS; COLLECTION

8 (a)(1) Any individual who by nondisclosure or misrepresentation of a
9 material fact, by him or her, or by another person, has received Family and
10 Medical Leave Insurance benefits when he or she failed to fulfill a requirement
11 for the receipt of benefits pursuant to this chapter or while he or she was
12 disqualified from receiving benefits pursuant to section 580 of this chapter
13 shall be liable to repay to the Commissioner of Labor the amount received.

14 (2) Upon determining that an individual has received benefits under this
15 chapter that he or she was not entitled to, the Commissioner of Labor shall
16 provide the individual with notice of the determination. The notice shall
17 include a statement that the individual is liable to repay to the Commissioner
18 the amount of overpaid benefits and shall identify the basis of the overpayment
19 and the time period in which the benefits were paid.

20 (3) The determination shall be made within not more than three years
21 after the date of the overpayment.

1 (b)(1) An individual liable under this section shall repay the overpaid
2 amount to the Commissioner for deposit into the Fund.

3 (2) If the Commissioner finds that the individual intentionally
4 misrepresented or failed to disclose a material fact with respect to his or her
5 claim for benefits, in addition to the repayment under subdivision (1) of this
6 subsection, the person shall pay an additional penalty of 15 percent of the
7 amount of the overpaid benefits, which shall also be deposited into the Fund.

8 (3) The Commissioner may collect the amounts due under this section in
9 civil action in the Superior Court.

10 (c) If an individual is liable to repay any amount pursuant to this section,
11 the Commissioner may withhold, in whole or in part, any future benefits
12 payable to the individual pursuant to this chapter and credit the withheld
13 benefits against the amount due from the individual until it is repaid in full,
14 less any penalties assessed under subdivision (b)(2) of this section.

15 (d) In addition to the remedy provided pursuant to this section, an
16 individual who intentionally misrepresented or failed to disclose a material fact
17 with respect to his or her claim for benefits may be subject to the penalties
18 provided pursuant to section 580 of this title.

1 Sec. 4. ADOPTION OF RULES

2 (a) On or before January 1, 2020, the Commissioner of Taxes shall
3 adopt rules necessary to implement the provisions of 21 V.S.A. § 574, which
4 shall include:

5 (1) procedures for the collection of contributions; and

6 (2) reporting and record-keeping requirements for employers.

7 (b) On or before January 1, 2020, the Commissioner of Financial
8 Regulation shall adopt rules as necessary to implement the provisions of
9 section 577 of this subchapter. The rules adopted by the Commissioner of
10 Financial Regulation shall include requirements and criteria for the approval of
11 an employer’s alternative insurance or benefit plan pursuant to 21 V.S.A. § 577
12 and for determining whether a proposed plan provides benefits that are
13 equivalent to or more generous than the benefits provided pursuant to
14 21 V.S.A. chapter 5, subchapter 13.

15 (c) On or before June 1, 2020, the Commissioner of Labor shall adopt
16 rules necessary to implement all other provisions of 21 V.S.A. chapter 5,
17 subchapter 13, which shall include:

18 (1) acceptable documentation for demonstrating eligibility for benefits;

19 (2) requirements for providing certification from a health care provider
20 of the need for family leave that are modeled on the federal rules governing

1 certification of a serious health condition under the Family and Medical
2 Leave Act;

3 (3) requirements for obtaining authorization for an individual’s health
4 care provider to disclose information necessary to make a determination of the
5 individual’s eligibility for benefits;

6 (4) procedures for appealing a decision pursuant to 21 V.S.A.
7 § 579(b)(2);

8 (5) the establishment of the existence of an in loco parentis relationship
9 between an employee and another individual; and

10 (6) rules to permit an employee to authorize the Department, in
11 compliance with all applicable provisions of federal law, to disclose
12 unemployment insurance information to the insurance carrier as necessary to
13 determine if the employee meets the requirements to be a qualified employee
14 as defined pursuant to subdivision 571(9) of this chapter.

15 Sec. 5. EDUCATION AND OUTREACH

16 On or before June 1, 2020, the Commissioner of Labor shall develop and
17 make available on the Department of Labor’s website information and
18 materials to educate and inform employers and employees about the Family
19 and Medical Leave Insurance Program established pursuant to 21 V.S.A.
20 chapter 5, subchapter 13.

1 Sec. 6. ESTABLISHMENT OF FAMILY AND MEDICAL LEAVE

2 INSURANCE PROGRAM; EXPENDITURES FROM SPECIAL

3 FUND

4 The Commissioner of Finance and Management may, pursuant to 32 V.S.A.
5 § 588(4)(C), issue warrants for expenditures from the Family and Medical
6 Leave Insurance Special Fund necessary to establish the Family and Medical
7 Leave Insurance Program in anticipation of the receipt on or after April 1,
8 2020 of contributions submitted pursuant to 21 V.S.A. §§ 573 and 574.

9 Sec. 7. ADEQUACY OF RESERVES; REPORT

10 Annually, on or before January 15, 2021, 2022, and 2023, the
11 Commissioner of Labor, in consultation with the Commissioners of Finance
12 and Management, of Financial Regulation, and of Taxes, shall submit a written
13 report to the House Committees on Appropriations, on General, Housing, and
14 Military Affairs, and on Ways and Means and the Senate Committees on
15 Appropriations, on Economic Development, Housing and General Affairs, and
16 on Finance regarding the amount and adequacy of the reserves in the Family
17 and Medical Leave Insurance Special Fund and any recommendations for
18 legislative action necessary to ensure that an adequate reserve is maintained in
19 the Fund.

1 Sec. 8. 21 V.S.A. § 471 is amended to read:

2 § 471. DEFINITIONS

3 As used in this subchapter:

4 (1) “Employer” means an individual, organization ~~or~~, governmental
5 body, partnership, association, corporation, legal representative, trustee,
6 receiver, trustee in bankruptcy, and any common carrier by rail, motor, water,
7 air or express company doing business in or operating within this State ~~which~~
8 ~~for the purposes of parental leave~~ that employs 10 or more individuals who are
9 employed for an average of at least 30 hours per week during a year ~~and for the~~
10 ~~purposes of family leave employs 15 or more individuals for an average of at~~
11 ~~least 30 hours per week during a year.~~

12 * * *

13 (3) “Family leave” means a leave of absence from employment by an
14 employee who works for an employer ~~which~~ that employs ~~15~~ 10 or more
15 individuals who are employed for an average of at least 30 hours per week
16 during the year for one of the following reasons:

17 (A) the serious illness of the employee; ~~or~~

18 (B) the serious illness of the employee’s ~~child, stepchild or ward who~~
19 ~~lives with the employee, foster child, parent, spouse or parent of the~~
20 ~~employee’s spouse~~ family member;

1 (8) “In loco parentis” means a child for whom the employee has day-to-
2 day responsibilities to care for and financially support, or, in the case of the
3 employee, an individual who had such responsibility for the employee when he
4 or she was a child.

5 Sec. 9. 21 V.S.A. § 472 is amended to read:

6 § 472. FAMILY LEAVE

7 (a) During any 12-month period, an employee shall be entitled to take
8 unpaid leave for a period not to exceed 12 weeks for the following reasons:

9 (1) ~~for parental leave, during the employee’s pregnancy and;~~

10 (2) following the birth of ~~an~~ the employee’s child ~~or;~~

11 (3) within a year following the initial placement of a child ~~16~~ 18 years
12 of age or younger with the employee for the purpose of adoption; or foster
13 care;

14 ~~(2)(4) for family leave, for the serious illness of the employee; or~~

15 (5) the serious illness of the employee’s child, stepchild or ward of the
16 employee who lives with the employee, foster child, parent, spouse, or parent
17 of the employee’s spouse family member.

18 (b) During the leave, at the employee’s option, the employee may use
19 accrued sick leave ~~or,~~ vacation leave ~~or,~~ any other accrued paid leave, ~~not to~~
20 ~~exceed six weeks~~ Family and Medical Leave Insurance benefits pursuant to
21 subchapter 13 of this chapter, or short-term disability insurance or other

1 ~~insurance benefits. Utilization~~ Use of accrued paid leave, Family and Medical
2 Leave Insurance benefits, or other insurance benefits shall not extend the leave
3 provided ~~herein~~ by this section.

4 * * *

5 (d) The employer shall post and maintain in a conspicuous place in and
6 about each of ~~his or her~~ its places of business printed notices of the provisions
7 of this subchapter on forms provided by the Commissioner of Labor.

8 (e)(1) An employee shall give his or her employer reasonable written
9 notice of intent to take family leave under this subchapter. Notice shall include
10 the date the leave is expected to commence and the estimated duration of the
11 leave.

12 (2) In the case of the adoption or birth of a child, an employer shall not
13 require that notice be given more than six weeks prior to the anticipated
14 commencement of the leave.

15 (3) In the case of an unanticipated serious illness or premature birth, the
16 employee shall give the employer notice of the commencement of the leave as
17 soon as practicable.

18 (4) In the case of serious illness of the employee or a member of the
19 employee's family, an employer may require certification from a physician to
20 verify the condition and the amount and necessity for the leave requested.

1 Sec. 11. 21 V.S.A. § 1325 is amended to read:

2 § 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;

3 DISCLOSURE TO SUCCESSOR ENTITY

4 (a)(1) The Commissioner shall maintain an experience-rating record for
5 each employer. Benefits paid shall be charged against the experience-rating
6 record of each subject employer who provided base-period wages to the
7 eligible individual. Each subject employer's experience-rating charge shall
8 bear the same ratio to total benefits paid as the total base-period wages paid by
9 that employer bear to the total base-period wages paid to the individual by all
10 base-period employers. The experience-rating record of an individual subject
11 base-period employer shall not be charged for benefits paid to an individual
12 under any of the following conditions:

13 * * *

14 (G) The individual was employed by that employer as a result of
15 another employee taking leave under chapter 5, subchapter 13 of this title, and
16 the individual's employment was terminated as a result of the reinstatement of
17 the other employee following his or her leave under chapter 5, subchapter 13
18 of this title.

19 * * *

1 Sec. 12. SELF-EMPLOYED INDIVIDUAL; OPT-IN; REPORT

2 On or before January 15, 2021, the Commissioner of Labor, in consultation
3 with the insurance carrier that the State has contracted with, if any, and the
4 Commissioners of Financial Regulation and of Taxes, shall submit a written
5 report to the House Committee on General, Housing, and Military Affairs and
6 the Senate Committee on Economic Development, Housing and General
7 Affairs regarding the potential for permitting self-employed individuals to elect
8 to obtain coverage through the Family and Medical Leave Insurance Program.

9 In particular, the report shall examine the experience of other states that allow
10 self-employed individuals to obtain coverage under their family and medical
11 leave insurance programs, and the potential impact of permitting self-
12 employed individuals to elect to obtain coverage through the Family and
13 Medical Leave Insurance Program on the Program, contribution rates, and
14 administrative costs. The report shall also include a recommendation for
15 legislative action necessary to permit self-employed individuals to elect to
16 obtain coverage through the Family and Medical Leave Insurance Program.

17 Sec. 13. POTENTIAL TRANSITION TO STATE-OPERATED FAMILY
18 AND MEDICAL LEAVE INSURANCE PROGRAM; REPORT

19 On or before January 15, 2023, the Commissioner of Labor, in consultation
20 with the Commissioners of Financial Regulation and of Taxes, shall report to
21 the House Committee on General, Housing, and Military Affairs and the

1 Senate Committee on Economic Development, Housing and General Affairs
2 regarding the potential for transitioning the Family and Medical Leave
3 Insurance Program to a program that is fully administered and operated by the
4 State. The report shall identify the potential costs to the State of such a
5 transition and the amount of time necessary to successfully accomplish the
6 transition, as well as the expected impacts on contribution rates, administrative
7 efficiency, and the experience of employers and employees. The report shall
8 also examine and contrast the potential benefits and drawbacks of ensuring the
9 solvency of a program that is fully administered and operated by the State by
10 either maintaining a reserve or obtaining reinsurance. The report shall include
11 a recommendation regarding whether the Family and Medical Leave Insurance
12 Program should transition to a program that is fully administered and operated
13 by the State.

14 Sec. 14. 3 V.S.A. § 638 is added to read:

15 § 638. FAMILY AND MEDICAL LEAVE INSURANCE

16 (a) All State employees shall be provided with family and medical leave
17 insurance that satisfies the requirements of 21 V.S.A. chapter 5, subchapter 13.

18 (b) The State shall bargain with the appropriate collective bargaining
19 representative for each bargaining unit of State employees to determine:

1 (1) whether State employees will be covered by the Family and Medical
2 Leave Insurance Program or an alternative insurance or benefit plan
3 established pursuant to 21 V.S.A. § 577;

4 (2) if the State employees will be covered by the Family and Medical
5 Leave Insurance Program, the portion of the contribution rate established
6 pursuant to 21 V.S.A. § 573 that the State and the employees will be
7 responsible for; and

8 (3) if the State employees will be covered by an alternative insurance or
9 benefit plan established pursuant to 21 V.S.A. § 577, the cost of the program to
10 the employees, and the length of leave and level of wage replacement that the
11 employees will be eligible for.

12 (c)(1) The contribution rate determined pursuant to subdivision (b)(2) of
13 this section or the cost of the plan to the employees determined pursuant to
14 subdivision (b)(3) of this section shall be the same for all State employees,
15 regardless of whether the employees are permitted to collectively bargain
16 pursuant to 3 V.S.A. chapter 27 or 28.

17 (2) The length of leave and level of wage replacement determined
18 pursuant to subdivision (b)(3) of this section shall be the same for all State
19 employees, regardless of whether the employees are permitted to collectively
20 bargain pursuant to 3 V.S.A. chapter 27 or 28.

1 (3) Notwithstanding subdivisions (1) and (2) of this subsection, the
2 sworn Vermont State Police Officers below the rank of Lieutenant shall not be
3 required to have the same rate of contribution or the same cost of the plan,
4 length of leave, and level of wage replacement as other State employees.

5 Sec. 15. **REQUEST FOR INFORMATION; REQUEST FOR PROPOSALS;**
6 **REPORTS**

7 (a) On or before July 15, 2019, the Commissioner of Financial Regulation
8 shall submit a copy of the request for information to the House Committees on
9 Appropriations, on General, Housing, and Military Affairs, and on Ways and
10 Means and the Senate Committees on Appropriations, on Economic
11 Development, Housing and General Affairs, and on Finance.

12 (b) On or before September 1, 2019, the Commissioner of Finance shall
13 submit a brief summary of the responses to the request for information together
14 with copies of all the responses to the House Committees on Appropriations,
15 on General, Housing, and Military Affairs, and on Ways and Means and the
16 Senate Committees on Appropriations, on Economic Development, Housing
17 and General Affairs, and on Finance. The Commissioner of Financial
18 Regulation may redact confidential business information from the copies of the
19 responses to the request for information before submitting them.

20 (c) On or before September 15, 2019, the Commissioner of Financial
21 Regulation shall submit a copy of the request for proposals to the House

1 Committees on Appropriations, on General, Housing, and Military Affairs, and
2 on Ways and Means and the Senate Committees on Appropriations, on
3 Economic Development, Housing and General Affairs, and on Finance.

4 (d) On or before December 15, 2019, the Commissioner of Financial
5 Regulation shall submit a written report summarizing the outcome of the
6 request for proposal process to the House Committees on Appropriations, on
7 General, Housing, and Military Affairs, and on Ways and Means and the
8 Senate Committees on Appropriations, on Economic Development, Housing
9 and General Affairs, and on Finance.

10 Sec. 16. PLAN FOR STATE OPERATION OF FAMILY AND MEDICAL
11 LEAVE INSURANCE PROGRAM; REPORT

12 In the event that the Commissioner of Financial Regulation is unable to
13 secure a suitable insurance company to provide paid family and medical leave
14 insurance pursuant to the provisions of 21 V.S.A. § 572(b), the Commissioner
15 of Labor, in consultation with the Commissioners of Financial Regulation and
16 of Taxes, shall, on or before January 15, 2020, submit a written report
17 outlining a plan for the State to operate the Family and Medical Leave
18 Insurance Program to the House Committees on Appropriations, on General,
19 Housing, and Military Affairs, and on Ways and Means and the Senate
20 Committees on Appropriations, on Economic Development, Housing and
21 General Affairs, and on Finance. The report shall include a detailed

1 explanation of how the State will implement Family and Medical Leave
2 Insurance Program and carry out the requirements of 21 V.S.A. chapter 5,
3 subchapter 13, including specific details and requirements related to staffing,
4 information technology development, the development of rules and
5 procedures, ensuring adequate reserves in the Family and Medical Leave
6 Insurance Special Fund, and, if appropriate, the utilization of one or more
7 third-party administrators. The report shall also include a recommendation for
8 any legislative action necessary for the State to successfully implement the
9 Family and Medical Leave Insurance Program.

10 Sec. 17. APPROPRIATIONS; POSITIONS

11 (a)(1) The sum of \$1,000,000.00 is appropriated from the Family and
12 Medical Leave Insurance Special Fund to the Department of Taxes in fiscal
13 year 2020 for temporary staffing needs related to the adoption of rules, the
14 development of information technology systems necessary to implement the
15 provisions of 21 V.S.A. § 574, and, if applicable, to contract with the private
16 insurance carrier selected pursuant to 21 V.S.A. § 572 to administer the
17 collection of Family and Medical Leave Insurance contributions.

18 (2) The sum of \$217,900.00 is appropriated from the Family and
19 Medical Leave Insurance Special Fund to the Department of Labor for staffing
20 needs related to the adoption of rules and for the development of forms,
21 procedures, and outreach and education materials related to the Family and

1 Medical Leave Insurance Program established pursuant to 21 V.S.A. chapter 5,
2 subchapter 13.

3 (b) The establishment of one new administrator position in the Department
4 of Labor is authorized in fiscal year 2020.

5 Sec. 18. 32 V.S.A. § 3102 is amended to read:

6 § 3102. CONFIDENTIALITY OF TAX RECORDS

7 * * *

8 (d) The Commissioner shall disclose a return or return information:

9 * * *

10 (7) to the Joint Fiscal Office pursuant to subsection 10503(e) of this title
11 and subject to the conditions and limitations specified in that subsection; and

12 (8) to the Commissioner of Financial Regulation, the Commissioner of
13 Labor, or the private insurance carrier contracted with by the Commissioner of
14 Financial Regulation pursuant to 21 V.S.A. § 572, provided the information is
15 related to the administration of the Family and Medical Leave Insurance

16 Program created pursuant to 21 V.S.A. chapter 5, subchapter 13.

17 * * *

1 Sec. 19. 21 V.S.A. § 1314 is amended to read:

2 § 1314. REPORTS AND RECORDS; SEPARATION INFORMATION;
3 DETERMINATION OF ELIGIBILITY; FAILURE TO REPORT
4 EMPLOYMENT INFORMATION; DISCLOSURE OF
5 INFORMATION TO OTHER STATE AGENCIES TO
6 INVESTIGATE MISCLASSIFICATION OR MISCODING

7 * * *

8 (e)(1) Subject to such restrictions as the Board may ~~by regulation~~ prescribe
9 by rule, information from unemployment insurance records may be made
10 available to any public officer or public agency of this or any other state or the
11 federal government dealing with the administration or regulation of relief,
12 public assistance, unemployment compensation, a system of public
13 employment offices, wages and hours of employment, workers' compensation,
14 misclassification or miscoding of workers, occupational safety and health, or a
15 public works program for purposes appropriate to the necessary operation of
16 those offices or agencies. The Commissioner may also make information
17 available to colleges, universities, and public agencies of the State for use in
18 connection with research projects of a public service nature, and to the
19 Vermont Economic Progress Council with regard to the administration of
20 32 V.S.A. chapter 105, subchapter 2; but no person associated with those
21 institutions or agencies may disclose that information in any manner that

1 would reveal the identity of any individual or employing unit from or
2 concerning whom the information was obtained by the Commissioner.

3 * * *

4 (8)(A) The Department of Labor shall disclose, upon request, to the
5 insurance carrier that the Commissioner of Financial Regulation has contracted
6 with to operate the Family and Medical Leave Insurance Program pursuant to
7 section 572 of this title, any information in its records related to an identified
8 individual that is necessary for the purpose of determining the individual's
9 eligibility for Family and Medical Leave Insurance benefits pursuant to
10 21 V.S.A. chapter 5, subchapter 13.

11 (B) The Commissioner shall enter into an agreement with the
12 insurance carrier that governs the use of the disclosed information and
13 complies with all requirements or 20 C.F.R. § 603.10.

14 (C) The information requested shall not be released unless the
15 individual to whom the requested information relates has signed a consent
16 form, approved by the Commissioner, that permits the release of the requested
17 information.

18 (D) The requested information shall not be released unless the
19 insurance carrier agrees to reimburse the Department of Labor for the costs
20 involved in furnishing the requested information.

21 * * *

1 Sec. 20. EFFECTIVE DATES

2 (a) This section and Secs. 1, 2, 4, 5, 6, 12, 13, 14, 15, 16, 17, 18, and 19
3 shall take effect on passage.

4 (b) Secs. 3 and 7 shall not take effect until December 1, 2019, and shall not
5 take effect at all if the Commissioner of Financial Regulation secures a suitable
6 insurance company to provide paid family and medical leave insurance
7 pursuant to the provisions of 21 V.S.A. § 572(b).

8 (c) Secs. 8, 9, 10, and 11 shall take effect on October 1, 2020.

9 (d)(1)(A) If the Commissioner of Financial Regulation secures a private
10 insurance carrier pursuant to 21 V.S.A. § 572, contributions shall begin being
11 paid pursuant to 21 V.S.A. §§ 573 and 574 on April 1, 2020, and, beginning on
12 October 1, 2020, employees may begin to receive benefits pursuant to
13 21 V.S.A. chapter 5, subchapter 13.

14 (B) If the Commissioner of Financial Regulation is unable to secure a
15 private insurance carrier pursuant to 21 V.S.A. § 572, contributions shall begin
16 being paid pursuant to 21 V.S.A. §§ 573 and 574 on July 1, 2021, and,
17 beginning on July 1, 2022, employees may begin to receive benefits pursuant
18 to 21 V.S.A. chapter 5, subchapter 13.

19 (2) An employer that is subject to a collective bargaining agreement
20 shall not be required to pay contributions or be subject to the provisions of
21 21 V.S.A. chapter 5, subchapter 13 until either the effective date of the next

1 collective bargaining agreement after April 1, 2020, or the effective date of a
2 supplement to or provision of an existing collective bargaining agreement that
3 specifically addresses the provisions of 21 V.S.A. chapter 5, subchapter 13, in
4 order to permit the employer and the collective bargaining representative to
5 negotiate regarding the employer and employee shares of the contribution rate
6 or whether the employer will provide benefits through an alternative plan
7 established pursuant to 21 V.S.A. § 577.

8

9

10

11 (Committee vote: _____)

12

13

Senator _____

14

FOR THE COMMITTEE