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H.395

Introduced by Representatives Browning of Arlington, Dickinson of St.

Albans Town, Scheuermann of Stowe, and Sullivan of Dorset

Referred to Committee on

Date:

Subject: Executive; labor; insurance benefits; voluntary paid family leave

Statement of purpose of bill as introduced: This bill proposes to enable the

Governor to enter into a contract with a private insurance carrier to provide

family and medical leave insurance benefits to State employees, which shall

also be available to other employers and individuals who elect to enroll in the

insurance program.

An act relating to voluntary family and medical leave insurance

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 3 V.S.A. § 638 is added to read:

§ 638. FAMILY AND MEDICAL LEAVE INSURANCE

(a) All State employees shall be provided with family and medical leave insurance coverage under the Voluntary Family and Medical Leave Insurance Plan established pursuant to section 639 of this chapter.

(b) Coverage under the plan shall be provided at no cost to the employee.

1 (c) A State employee shall be eligible to receive family and medical leave
2 insurance benefits pursuant to the Plan after he or she has been employed by
3 the State for 12 months.

4 Sec. 2. 3 V.S.A. § 639 is added to read:

5 § 639. VOLUNTARY FAMILY AND MEDICAL LEAVE INSURANCE

6 PLAN

7 (a)(1) The Commissioner of Human Resources shall enter into a contract
8 with an insurance carrier to provide family and medical leave insurance
9 benefits to all permanent State employees. The contract shall have a term of
10 five years with the possibility of a renewal for an additional five years at the
11 State's option. The contract shall be awarded pursuant to a competitive bid
12 process.

13 (2)(A) The Plan shall provide benefits equal to 60 percent of an
14 employee's average weekly wage up to a maximum weekly benefit amount of
15 \$415.00.

16 (B) The maximum weekly benefit amount under the Insurance Plan
17 shall be increased every five years by the percentage increase of the Consumer
18 Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor
19 index, as calculated by the U.S. Department of Labor or successor agency for
20 the five years preceding the previous September 1.

1 (b) The family and medical leave insurance provided pursuant to the
2 contract shall be known as the Voluntary Family and Medical Leave Insurance
3 Plan.

4 (c) On or before September 30, 2019, and every five years thereafter, the
5 Commissioners of Human Resources and of Financial Regulation shall develop
6 and issue a request for proposals from insurance carriers to provide family and
7 medical leave insurance that meets the following requirements:

8 (1) wage replacement equal to 60 percent of an employee's average
9 weekly wage up to an initial maximum weekly benefit amount of \$415.00;

10 (2) four weeks of leave in a calendar year;

11 (3) no minimum duration for a leave;

12 (4) coverage for leaves taken by an employee for any the following
13 reasons:

14 (A) the birth of a son or daughter of the employee;

15 (B) the placement of a son or daughter six years of age or younger
16 with the employee for adoption or foster care;

17 (C) the serious health condition of the employee's spouse, child, or
18 parent;

19 (D) the employee's own serious health condition; or

20 (E) a qualifying exigency, as defined pursuant to 29 C.F.R.

21 § 825.126, arising out of the fact that the employee's spouse, child, or parent is

1 on covered active duty in the U.S. Armed Forces, or has been notified of an
2 impending call or order to covered active duty in the U.S. Armed Forces;

3 (5) employees shall become eligible for benefits after 12 months of
4 work while enrolled in the Voluntary Family and Medical Leave Insurance
5 Plan;

6 (6) an employee shall continue to be eligible for benefits upon changing
7 jobs, provided that he or she has already met the 12-month eligibility
8 requirement and remains enrolled in the Plan at his or her new job;

9 (7) during a leave, an employee may choose to use either accrued paid
10 leave or insurance benefits provided under the Plan, but may not use both
11 accrued paid leave and insurance benefits provided under the Plan at the same
12 time;

13 (8) provides coverage for all eligible State employees;

14 (9) other public employers and private employers may elect to
15 participate in the Voluntary Paid Family and Medical Leave Insurance Plan,
16 and may elect to either provide insurance coverage under the Plan to all of
17 their employees or to permit their employees to elect to enroll in the insurance
18 plan during a specified annual enrollment period;

19 (10) employers that elect to participate in the Plan may determine the
20 portion of the premiums that their employees shall be responsible for;

1 premium up to 100 percent with the employer responsible for the remainder of
2 the premium.

3 (d) A self-employed individual or an individual whose employer elects not
4 to enroll in the Voluntary Family and Medical Leave Insurance Plan may elect
5 to enroll in the Plan as an individual. An individual who enrolls in the plan
6 pursuant to this subsection shall be responsible for the full amount of the
7 premium for his or her coverage.

8 (e) Premiums for coverage shall be established by the insurance carrier
9 based on the guidelines set forth in 3 V.S.A. § 639.

10 Sec. 5. EFFECTIVE DATE

11 This act shall take effect on July 1, 2019.