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GOVERNOR CHRIS SUNUNU AND GOVERNOR PHIL SCOTT INTRODUCE TWIN STATE VOLUNTARY LEAVE PLAN

Littleton, NH – Wednesday, New Hampshire Governor Chris Sununu and Vermont Governor Phil Scott detailed their Twin State Voluntary Leave Plan, a bi-state voluntary paid family and medical leave program, in a press conference at Schilling Beer Company.

"As a small business along the New Hampshire – Vermont border, roughly half of our employees live in Vermont, and half live in New Hampshire," said Jeff Cozzens, CEO and Co-Founder of Schilling Beer Co. "This proposal has the potential to help all of our employees. We are proud to host the Governors today as they outline their joint vision for a family medical leave insurance program that speaks to our ultimate concern: the well-being and advancement of our staff and their families," Cozzens said.

The Governors' plan creates an insurance product that is not currently offered in either state. It will be available to all businesses, as well as individuals, and will be anchored by the state employee workforce of both states – a combined 18,500 employees.

Under the Governors' proposal, the new insurance coverage would provide enrolled public and private sector employees 60 percent wage replacement for six weeks at competitive rates for qualifying events, including:

- The birth of a child and to care for the newborn child within one year of birth;
- The placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
- Caring for the employee's spouse, child, or parent who has a serious health condition;
- A serious health condition that makes the employee unable to perform the essential functions of his or her job; or
- Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty," or to care for a covered service-member with a serious injury or illness if the eligible employee is the service-member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

"We both believe paid family medical leave offers an incredible opportunity to promote a work-life balance for many workers in our states struggling to meet the demands of the workplace while also meeting the needs of their families and their own health," said Governor Sununu. "By leveraging the economies of scale of each state's employment base, insurance carriers will be able to write a competitively priced family leave plan."

“We know Family Medical Leave Insurance plans can improve companies’ ability to recruit and retain workers and increase productivity. I’m pleased to put forward a proposal that will help employers provide employees with greater work-life balance,” said Governor Scott. “I want to thank Governor Sununu and his team for bringing this idea forward, and for this partnership, as we work to improve the lives of residents in both of our states.”

The two states would select an insurance carrier, or carriers, through a coordinated Request for Proposal (RFP) process to assume the risk and manage the benefit and claims under the plan. This carrier, or these carriers, would then develop a “State Rate.” This is the per employee cost that each state would pay to provide a Family Medical Leave Insurance (FMLI) plan to its employees.

Under the joint-proposal, each state would cover the full costs of providing an FMLI benefit to its employees, and employees will not have to incur any additional cost for the product. In addition, the winning carrier(s) would be required to allow all private sector employers in the state to opt-in to the FMLI plan with specified rates for the following categories of employer:

- Employers that have 100 percent employee participation and have 20 employees or more would receive the State Rate;
- Employers that have 100 percent employee participation and have fewer than 20 employees would receive a small employer rate which is expected to be modestly higher than the State Rate; or
- Employers that have less than 100 percent employee participation would receive a scaled rate that would depend on their participation rate and whether they had 20 employees or more.

Additionally, individuals whose employer does not offer a paid leave plan will have the option of purchasing coverage.

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