

1 H.66

2 Representatives Toof of St. Albans Town and Beck of St. Johnsbury move
3 that the bill be amended as follows:

4 First: In Sec. 6, 21 V.S.A. chapter 26, by striking out section 2051 in its
5 entirety and inserting in lieu thereof a new section 2051 to read as follows:

6 § 2051. DIVISION OF FAMILY AND MEDICAL LEAVE; DIRECTOR;

7 THIRD-PARTY CLAIMS ADMINISTRATION

8 (a) The Division of Family and Medical Leave is established in the Office
9 of the Treasurer to administer the Family and Medical Leave Insurance
10 Program established pursuant to this chapter.

11 (b)(1) The Treasurer shall appoint a director of the Division. The Director
12 shall be a full-time State employee and exempt from the classified system and
13 shall serve at the pleasure of the Treasurer.

14 (2) The Director shall be responsible for:

15 (A) the operation and supervision of the Division of Family and
16 Medical Leave;

17 (B) the implementation of this chapter and any rules adopted
18 pursuant to section 2063 of this chapter;

19 (C) contracting with a third-party claims administrator to administer
20 all aspects of the benefits claim process as provided pursuant to subsection (c)
21 of this section; and

1 (D) employing staff as necessary to implement and carry out the
2 provisions of this chapter.

3 (c) The Director shall contract with a third-party claims administrator to
4 carry out all aspects of the benefits claim process on behalf of the Division,
5 including:

6 (1) developing, maintaining, and periodically updating a claimant portal
7 and application forms;

8 (2) reviewing benefits claims and making determinations of eligibility
9 for benefits;

10 (3) paying benefits to qualified individuals; and

11 (4) hearing initial appeals related to benefits determinations pursuant to
12 subsection 2060(a) of this chapter.

13 Second: In Sec. 6, 21 V.S.A. chapter 26, in section 2053, by striking out
14 subdivision (a)(1) in its entirety and inserting in lieu thereof a new subdivision
15 (a)(1) to read as follows:

16 (a)(1) An employer shall be responsible for remitting the contributions
17 required on each of the employer's employees' covered wages to the
18 Department of Taxes as provided in subsection (d) of this section. The
19 employer may deduct and withhold from each of the employee's covered
20 wages some or all of the contributions required pursuant to subsection (c) of
21 this section.

1 Third: In Sec. 6, 21 V.S.A. chapter 26, section 2053, by striking out
2 subsection (e) in its entirety and inserting in lieu thereof a new subsection (e)
3 to read as follows:

4 (e)(1) An employer with an approved private plan pursuant to section 2059
5 of this chapter shall not be required to withhold and pay contributions pursuant
6 to this section.

7 (2) An employer shall not withhold or be required to remit contributions
8 pursuant to this section for an employee who has opted out of the Program
9 pursuant to section 2059a of this subchapter.

10 Fourth: In Sec. 6, 21 V.S.A. chapter 26, section 2059, by striking out
11 subdivisions (b)(1)(F) and (G) in their entirety and inserting in lieu thereof
12 subdivisions (b)(1)(F), (G), and (H) to read as follows:

13 (F) imposes no additional restrictions or conditions on the use of paid
14 leave benefits beyond the restrictions and conditions that are established
15 pursuant to this chapter and the rules adopted by the Director;

16 (G) satisfies any additional requirements established in rules adopted
17 by the Director in consultation with the Commissioner of Financial Regulation;
18 and

19 (H) if the private plan will require employees to pay a portion of the
20 private plan premiums or costs, permits employees to annually elect to opt out
21 of or reenroll in the coverage provided by the private plan during a specified

1 period of not less than two weeks.

2 Fifth: In Sec. 6, 21 V.S.A. chapter 26, after section 2059, by inserting
3 section 2059a to read as follows:

4 § 2059a. EMPLOYEE OPT-OUT

5 (a) An employee may elect to opt out of the Program by providing notice to
6 the Director in a form provided by the Director. The form shall include a
7 space for the employee to identify the employee's current employers.

8 (b)(1) An employee who wishes to opt out of the Program shall submit the
9 required form to the Director between November 1 and December 1 of the year
10 prior to the year in which the employee intends to opt out of the Program.

11 (2) An employee from whom the Director has received a timely notice
12 of intent to opt out shall, on January 1 of the next calendar year, no longer be
13 eligible for Program benefits or required to pay contributions pursuant to
14 section 2053 of this chapter.

15 (c) Upon receiving a timely notice of intent to opt out of the Program from
16 an employee, the Director shall notify the Commissioner of Taxes and each
17 employer listed on the notice that the employee's wages shall no longer be
18 subject to withholding of contributions beginning on January 1 of the next
19 calendar year.

20 (d)(1) An employee who has elected to opt out of the Program pursuant to
21 this section may elect to reenroll in the Program by notifying the Director in a

1 form specified by the Director. The form shall include a space for the
2 employee to identify the employee's current employers.

3 (2) A notice of intent to reenroll may only be filed between November 1
4 and December 1 of the year prior to the year in which the employee intends to
5 reenroll in the Program.

6 (3)(A) The wages of an employee who elects to reenroll in the Program
7 shall be subject to withholding of contributions pursuant to section 2053 of this
8 chapter beginning on January 1 of the next calendar year after the notice of
9 intent to reenroll is submitted.

10 (B)(i) The employee shall become eligible for benefits upon
11 satisfying the eligibility requirements set forth in section 2055 of this chapter.

12 (ii) Notwithstanding any provision of section 2055 of this chapter
13 to the contrary, for an employee who elects to reenroll in the Program pursuant
14 to this subsection (d), time worked and wages on which contributions were
15 paid prior to the employee opting out of the Program shall not count toward the
16 determination of whether the employee is eligible for benefits pursuant to
17 section 2055 of this chapter.

18 (4) Upon receiving a timely notice of intent to reenroll in the Program
19 from an employee, the Director shall notify the Commissioner of Taxes and
20 each employer listed on the notice that the employee's wages shall become

1 subject to withholding of contributions beginning on January 1 of the next
2 calendar year.

3 (e)(1) Notwithstanding any provision of subsection (b) of this section to the
4 contrary, for calendar year 2025, an employee who wishes to opt out of the
5 Program shall submit the required form to the Commissioner between April 1
6 and May 1.

7 (2) An employee from whom the Commissioner has received a timely
8 notice of intent to opt out shall, beginning July 1, 2025, not be eligible for
9 Program benefits or required to pay contributions pursuant to section 2053 of
10 this chapter.

11 (3) Upon receiving a timely notice of intent to opt out of the Program
12 pursuant to this subsection, the Director shall notify the Commissioner of
13 Taxes and each employer listed on the notice that the employee's wages shall
14 not be subject to withholding of contributions beginning on July 1, 2025.

15 Sixth: In Sec. 6, 21 V.S.A. chapter 26, subdivision 2055(1), before the
16 word "employee" by inserting the word "enrolled"

17 Seventh: In Sec. 6, 21 V.S.A. chapter 26, section 2056, by inserting the
18 word "enrolled" before the word "employee" and the word "employee's"
19 wherever they appear

20 Eighth: In Sec. 6, 21 V.S.A. chapter 26, subdivision 2070(19), before the
21 word "employee" by inserting the word "enrolled"

1 Ninth: In Sec. 6, 21 V.S.A. chapter 26, section 2070, after subdivision (27),
2 by inserting a subdivision (28) to read as follows:

3 (28) “Enrolled employee” means an employee for whom the
4 Commissioner of Taxes collects contributions pursuant to section 2053 of this
5 chapter.