

Department of Planning and Budget

2018 Fiscal Impact Statement

1. Bill Number: HB1529

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Sickles

3. Committee: Appropriations

4. Title: Parental and supplemental family leave benefits

5. Summary: Requires the Department of Human Resource Management (the Department) to implement and administer a parental leave benefits program (the parental leave program) for state employees. The parental leave program shall provide 12 weeks of paid leave for an employee who becomes the parent of a child either by adoption or by birth of a child. The bill requires employees to take parental leave within one year of a child's birth or adoption and provides that if two employees are eligible for benefits for the same child, only one shall claim benefits. The bill provides that if an employee is eligible for both parental leave and maternity leave for the same child, parental leave covers the first 12 weeks of leave; thereafter, if the employee provides notification to her employer from her physician that she is unable to return to work, she may receive short-term disability benefits. The bill also requires the Department to implement and administer a supplemental family leave benefits program (the supplemental family leave program). The supplemental family leave program shall provide 30 days of paid leave for a state employee who takes leave in order to care for a family member who has a serious health condition or because of a serious health condition that makes the state employee unable to perform his job functions. The bill directs that an employee seeking supplemental family leave must provide medical verification upon his employer's request and that the employee may be required to obtain additional medical verifications if his employer disagrees with the first medical verification. To be eligible for either program, an employee must be a full-time employee with at least one year of continuous state employment.

6. Budget Amendment Necessary: Indeterminate – see Item 8.

7. Fiscal Impact Estimates: Indeterminate – see Item 8.

8. Fiscal Implications: The fiscal impact of the proposed legislation cannot be determined, as any costs incurred will vary for each state agency. State agencies are not expected to incur additional costs to provide income replacement for employees out on parental leave or subsequent short-term disability because the employees' salaries and benefits are funded in the state agency's operating budget. However, state agencies may incur overtime expenses or

have to hire temporary staff to continue agency operations while an employee is out of the office on parental leave.

According to the Department of Human Resource Management (DHRM), there were approximately 2,000 infants added as dependents to state health insurance plans in fiscal year 2017; however, it is not possible to determine how many of those dependents were adopted because DHRM does not track adoptions separately from births.

The proposed legislation also establishes a new category of leave, supplemental family leave, beginning July 1, 2018. Eligible employees will have 30 days of paid leave, which will expire at the end of each calendar year and not accumulate for subsequent use, and receive 100 percent income replacement. An employee may use his or her supplemental family leave rather than his or her family and personal leave; however, the creation of the new leave category may impact an employee's leave liability.

9. Specific Agency or Political Subdivisions Affected: All state agencies.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is similar to House Bills 994 (Byron) and 1016 (Toscano) and Senate Bill 262 (Suetterlein).