



February 8, 2019

SENATE BILL No. 496

DIGEST OF SB 496 (Updated February 6, 2019 12:11 pm - DI 132)

Citations Affected: IC 22-2.

Synopsis: Voluntary family leave insurance program. Requires the department of insurance (department) to develop a proposal for a voluntary family leave program. Provides for certain provisions when developing the proposed program. Provides that the department shall study and make fiscal estimates about the costs of offering an employer tax deduction of 200% to small businesses who choose to pay all or part of the contribution. Requires the department to submit the proposed program to the budget committee, including projected costs of the program, for review.

Effective: July 1, 2019.

**Tallian, Ruckelshaus, Becker,
Breux, Ford Jon, Stoops, Bohacek,
Charbonneau, Ford J.D., Niezgodski,
Walker, Doriot**

January 14, 2019, read first time and referred to Committee on Pensions and Labor.
February 7, 2019, amended, reported favorably — Do Pass.

SB 496—LS 6732/DI 128



February 8, 2019

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

SENATE BILL No. 496

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 22-2-18.2 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2019]:

4 **Chapter 18.2. Voluntary Family Leave Insurance Program**

5 **Sec. 1. As used in this chapter, "Act" refers to the federal**
6 **Family and Medical Leave Act of 1993 (29 U.S.C. 2601 et seq.), as**
7 **amended.**

8 **Sec. 2. As used in this chapter, "department" refers to the**
9 **department of insurance created by IC 27-1-1-1.**

10 **Sec. 3. As used in this chapter, "employee" means a person who**
11 **works directly for another person under an express or implied**
12 **contract of hire.**

13 **Sec. 4. As used in this chapter, "employer" has the meaning set**
14 **forth in IC 6-3-1-5. The term includes the state and its political**
15 **subdivisions.**

16 **Sec. 5. As used in this chapter, "program" refers to the**
17 **voluntary family leave insurance program established under**

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- 1 section 7 of this chapter.
- 2 Sec. 6. As used in this chapter, "trust fund" refers to the
3 voluntary family leave insurance program trust fund established
4 by section 9 of this chapter.
- 5 Sec. 7. (a) Not later than January 1, 2020, the department shall
6 develop a proposal to establish a voluntary family leave insurance
7 program for the purpose of providing family leave insurance
8 benefits to employees who elect to participate in the program.
- 9 (b) In developing the program described in subsection (a), the
10 department may request assistance from and coordinate with the
11 department of labor created by IC 22-1-1-1.
- 12 (c) The department shall administer the program.
- 13 (d) The department may adopt rules under IC 4-22-2
14 appropriate or necessary to administer the program.
- 15 (e) The department may contract with an outside vendor to
16 administer the program.
- 17 Sec. 8. In developing the proposed program under section 7 of
18 this chapter, the department shall:
- 19 (1) Establish the minimum criteria for voluntary participation
20 in the program by employees.
- 21 (2) Require each employee who elects to participate in the
22 program to contribute at a rate that is sufficient to fund the
23 program, including benefits paid and reasonable expenses
24 incurred. The department shall determine the rates at least
25 annually.
- 26 (3) Provide that an employer may pay some or all of the
27 employee's contribution.
- 28 (4) Require each participating employee to make the
29 employee's required contributions by payroll deduction.
- 30 (5) Establish employee benefit eligibility requirements that
31 follow the requirements that qualify an employee for leave
32 under the Act.
- 33 (6) Allow an employee the option to select both the benefit
34 amount and the number of weeks that the benefit will be paid
35 to the employee under the program. The department may
36 offer benefit levels of one hundred percent (100%),
37 seventy-five percent (75%), and fifty percent (50%) of an
38 employee's salary.
- 39 (7) Allow an employer that is exempt from the Act to
40 participate in the program.
- 41 (8) Allow an employer who is covered by the Act to
42 participate in the program, but this shall not be construed



1 that an employer covered by the Act is required to participate
2 in the program.
3 **(9) Study and make fiscal estimates about the costs associated**
4 **with offering an employer tax deduction of two hundred**
5 **percent (200%) to small businesses who choose to pay all or**
6 **part of an employee's contribution.**
7 **Sec. 9. Not later than November 1, 2019, the department shall**
8 **submit the department's proposed program, including the**
9 **projected costs of:**
10 **(1) administration;**
11 **(2) premiums; and**
12 **(3) benefits;**
13 **to the budget committee (established by IC 4-12-1-3(b)) for the**
14 **budget committee's review.**



COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 496, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 9.

Page 2, line 32, delete "adopt provisions" and insert "**develop a proposal**".

Page 3, line 1, delete "The department shall do at least the following in" and insert "**In**".

Page 3, line 2, delete "establishing the" and insert "**developing the proposed**".

Page 3, line 2, delete "chapter:" and insert "**chapter, the department shall:**".

Page 3, line 15, delete "include, at a minimum," and insert "**follow**".

Page 3, between lines 24 and 25, begin a new line block indented and insert:

"(8) Allow an employer who is covered by the Act to participate in the program, but this shall not be construed that an employer covered by the Act is required to participate in the program.

(9) Study and make fiscal estimates about the costs associated with offering an employer tax deduction of two hundred percent (200%) to small businesses who choose to pay all or part of an employee's contribution."

Page 3, delete lines 25 through 42.

Page 4, delete lines 1 through 14.

Page 4, line 15, delete "Sec. 11." and insert "**Sec. 9.**".

Page 4, delete line 16.

Page 4, line 17, delete "legislative council and to" and insert "**submit the department's proposed program, including the projected costs of:**

(1) administration;

(2) premiums; and

(3) benefits;

to".



Page 4, line 18, delete "concerning the department's proposed program," and insert "**for the budget committee's review.**".

Page 4, delete lines 19 and 20.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 496 as introduced.)

BOOTS, Chairperson

Committee Vote: Yeas 10, Nays 1.

