

117TH CONGRESS
1ST SESSION

H. R. 5161

To expand small employer pooling options to provide paid family and medical leave.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 3, 2021

Mr. FERGUSON introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To expand small employer pooling options to provide paid family and medical leave.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Expanding Small Em-
5 ployer Pooling Options for Paid Family Leave Act of
6 2021”.

1 **SEC. 2. EXPAND SMALL EMPLOYER POOLING OPTIONS FOR**
2 **PAID FAMILY AND MEDICAL LEAVE.**

3 (a) AMENDMENT TO EMPLOYEE RETIREMENT IN-
4 COME SECURITY ACT OF 1974.—

5 (1) IN GENERAL.—Section 3(40)(A) of the Em-
6 ployee Retirement Income Security Act of 1974 (29
7 U.S.C. 1002(40)(A)) is amended by inserting “,
8 which, for the purposes of this paragraph, may in-
9 clude paid family and medical leave benefits,” after
10 “paragraph (1)”.

11 (2) EFFECTIVE DATE.—The amendment made
12 by paragraph (1) shall take effect on the date that
13 is 90 days after the date of enactment of this Act.

14 (3) REGULATIONS.—The Secretary of Labor
15 shall, in coordination with the issuance of regula-
16 tions by the Secretary of the Treasury pursuant to
17 subsection (b)(3), issue regulations to implement
18 and ensure compliance with the amendment made by
19 paragraph (1) to ensure consistency and parity in
20 the treatment of paid family medical leave benefits
21 across Federal agencies.

22 (b) AMENDMENT TO INTERNAL REVENUE CODE OF
23 1986.—

24 (1) IN GENERAL.—Section 501(c)(9) of the In-
25 ternal Revenue Code of 1986 is amended by insert-

1 ing “disability, paid family and medical leave,” after
2 “life, sick, accident,”.

3 (2) EFFECTIVE DATE.—The amendment made
4 by paragraph (1) shall apply after the date that is
5 90 days after the date of enactment of this Act, in
6 taxable years ending after such date.

7 (3) REGULATIONS.—The Secretary of the
8 Treasury shall, in coordination with the issuance of
9 regulations by the Secretary of Labor pursuant to
10 subsection (a)(3), issue regulations to implement
11 and ensure compliance with the amendment made by
12 paragraph (1) to ensure consistency and parity in
13 the treatment of paid family medical leave benefits
14 across Federal agencies.

15 (c) REPORT.—Not later than 120 days after the date
16 of enactment of this Act, the Secretary of Labor and the
17 Secretary of the Treasury shall jointly submit a report to
18 the Committee on Education and Labor and the Com-
19 mittee on Ways and Means of the House of Representa-
20 tives with recommendations describing—

21 (1) statutory or regulatory changes needed to
22 facilitate multi-employer and small business pooling
23 and cost-sharing, such as through multiple employer
24 welfare arrangements, for the purpose of providing
25 paid family and medical leave benefits, including

1 through the use of short-term disability insurance,
2 to the employees of two or more employers; and

3 (2) statutory or regulatory changes necessary to
4 allow employers to implement the actions described
5 in paragraph (1) through a tax exempt trust, such
6 as a voluntary employee benefits association, or
7 other mechanism.

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