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H.395

Introduced by Representatives Browning of Arlington, Dickinson of St.

Albans Town, Scheuermann of Stowe, and Sullivan of Dorset

Referred to Committee on

Date:

Subject: Executive; labor; insurance benefits; voluntary paid family leave

Statement of purpose of bill as introduced: This bill proposes to enable the

Governor to enter into a contract with a private insurance carrier to provide

family and medical leave insurance benefits to State employees, which shall

also be available to other employers and individuals who elect to enroll in the

insurance program.

An act relating to voluntary family and medical leave insurance

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 3 V.S.A. § 638 is added to read:

§ 638. FAMILY AND MEDICAL LEAVE INSURANCE

(a) All State employees shall be provided with family and medical leave insurance coverage under the Voluntary Family and Medical Leave Insurance Plan established pursuant to section 639 of this chapter.

(b) Coverage under the plan shall be provided at no cost to the employee.

1       (c) A State employee shall be eligible to receive family and medical leave  
2       insurance benefits pursuant to the Plan after he or she has been employed by  
3       the State for 12 months.

4       Sec. 2. 3 V.S.A. § 639 is added to read:

5       § 639. VOLUNTARY FAMILY AND MEDICAL LEAVE INSURANCE

6               PLAN

7       (a)(1) The Commissioner of Human Resources shall enter into a contract  
8       with an insurance carrier to provide family and medical leave insurance  
9       benefits to all permanent State employees. The contract shall have a term of  
10       five years with the possibility of a renewal for an additional five years at the  
11       State's option. The contract shall be awarded pursuant to a competitive bid  
12       process.

13               (2)(A) The Plan shall provide benefits equal to 60 percent of an  
14       employee's average weekly wage up to a maximum weekly benefit amount of  
15       \$415.00.

16               (B) The maximum weekly benefit amount under the Insurance Plan  
17       shall be increased every five years by the percentage increase of the Consumer  
18       Price Index, CPI-U, U.S. city average, not seasonally adjusted, or successor  
19       index, as calculated by the U.S. Department of Labor or successor agency for  
20       the five years preceding the previous September 1.

1       (b) The family and medical leave insurance provided pursuant to the  
2       contract shall be known as the Voluntary Family and Medical Leave Insurance  
3       Plan.

4       (c) On or before September 30, 2019, and every five years thereafter, the  
5       Commissioners of Human Resources and of Financial Regulation shall develop  
6       and issue a request for proposals from insurance carriers to provide family and  
7       medical leave insurance that meets the following requirements:

8           (1) wage replacement equal to 60 percent of an employee's average  
9       weekly wage up to an initial maximum weekly benefit amount of \$415.00;

10          (2) four weeks of leave in a calendar year;

11          (3) no minimum duration for a leave;

12          (4) coverage for leaves taken by an employee for any the following  
13       reasons:

14            (A) the birth of a son or daughter of the employee;

15            (B) the placement of a son or daughter six years of age or younger  
16       with the employee for adoption or foster care;

17            (C) the serious health condition of the employee's spouse, child, or  
18       parent;

19            (D) the employee's own serious health condition; or

20            (E) a qualifying exigency, as defined pursuant to 29 C.F.R.

21       § 825.126, arising out of the fact that the employee's spouse, child, or parent is

1 on covered active duty in the U.S. Armed Forces, or has been notified of an  
2 impending call or order to covered active duty in the U.S. Armed Forces;

3 (5) employees shall become eligible for benefits after 12 months of  
4 work while enrolled in the Voluntary Family and Medical Leave Insurance  
5 Plan;

6 (6) an employee shall continue to be eligible for benefits upon changing  
7 jobs, provided that he or she has already met the 12-month eligibility  
8 requirement and remains enrolled in the Plan at his or her new job;

9 (7) during a leave, an employee may choose to use either accrued paid  
10 leave or insurance benefits provided under the Plan, but may not use both  
11 accrued paid leave and insurance benefits provided under the Plan at the same  
12 time;

13 (8) provides coverage for all eligible State employees;

14 (9) other public employers and private employers may elect to  
15 participate in the Voluntary Paid Family and Medical Leave Insurance Plan,  
16 and may elect to either provide insurance coverage under the Plan to all of  
17 their employees or to permit their employees to elect to enroll in the insurance  
18 plan during a specified annual enrollment period;

19 (10) employers that elect to participate in the Plan may determine the  
20 portion of the premiums that their employees shall be responsible for;



1 (b) During the leave, at the employee's option, the employee may use  
2 accrued sick leave or vacation leave or any other accrued paid leave, Voluntary  
3 Family and Medical Leave Insurance Plan benefits provided pursuant to  
4 section 475 of this subchapter, or short-term disability insurance or other  
5 insurance benefits, not to exceed six weeks. Utilization of accrued paid leave  
6 shall not extend the leave provided herein.

7 \* \* \*

8 Sec. 4. 21 V.S.A. § 475 is added to read:

9 § 475. VOLUNTARY FAMILY AND MEDICAL LEAVE INSURANCE

10 PLAN; VOLUNTARY ENROLLMENT

11 (a) An employer may enroll in the Voluntary Family and Medical Leave  
12 Insurance Plan created pursuant to 3 V.S.A. § 639.

13 (b) An employer that has enrolled in the Plan may elect to provide  
14 coverage under the Plan to either:

15 (1) all of its employees; or

16 (2) only those employees who elect to enroll in the Plan during a  
17 specified annual enrollment period.

18 (c) An employer that has enrolled in the plan may elect to pay the full  
19 amount of the premium for each of its employees who are enrolled in the plan,  
20 or to require each enrolled employee to pay a percentage of the applicable

1 premium up to 100 percent with the employer responsible for the remainder of  
2 the premium.

3 (d) A self-employed individual or an individual whose employer elects not  
4 to enroll in the Voluntary Family and Medical Leave Insurance Plan may elect  
5 to enroll in the Plan as an individual. An individual who enrolls in the plan  
6 pursuant to this subsection shall be responsible for the full amount of the  
7 premium for his or her coverage.

8 (e) Premiums for coverage shall be established by the insurance carrier  
9 based on the guidelines set forth in 3 V.S.A. § 639.

10 Sec. 5. EFFECTIVE DATE

11 This act shall take effect on July 1, 2019.