Issue Brief
Paid Family and Medical Leave

The House is working toward the passage of **H.66**, a Paid Family and Medical Leave program designed to provide up to 12 weeks of leave at 100% wage replacement for all employees for a variety of scenarios. Below is a summary of the main components of the bill and while it is likely these will change as the bill works its way through the legislative process, we need your input regarding costs, impact, and implementation.

Eligibility Summary

This bill establishes a state-run family and medical leave insurance program which would mandate:

- 12 weeks per year of benefits at 100% wage replacement of an employee's weekly wage up to the state average weekly wage, whichever is less (currently at $1,050).
- All employees would be covered, including part-time and seasonal workers.
- Individuals would be eligible for leave for:
  - their own serious illness or injury
  - the care of a family member with a serious illness or injury
  - their own pregnancy, to care for a new child during the first year following the birth, adoption, or placement for foster care of a child
  - a family member's active-duty military service or notice of impending active duty.
- Individuals would be eligible for two of the 12 weeks for bereavement leave.
- Individuals would also be eligible for an additional 12 weeks for "safe leave" for situations involving domestic violence, sexual assault, or stalking.
- Family member definition is inclusive and specifically defines familial relations as any other individual with whom the qualified individual has a significant personal bond that is or is like a family relationship, regardless of biological or legal relationship.

Costs & Funding

- The program would be funded by a 0.58% payroll tax, half of which would be contributed by the employee and half by the employer.
- Self-employed individuals would be responsible for the full 0.58%.
- The state would appropriate an initial $20 million to establish the program, which would be credited to the State for its portion of contributions for State employees.
- The program is anticipated to cost $85.5 million annually with $79.5 million paid in benefits and $6.0 million in administrative costs.

Additional policy considerations

- Benefits may be used as wage replacement for leave taken with federal FMLA but shall not extend leave provided under FMLA.
- Individuals may not receive benefits for weeks in which they receive workers' comp, temporary partial disability benefits, or unemployment compensation from any state.
- Employers with equal or more generous private or self-funded insurance plans may receive an exemption to withhold contributions.
- Contributions shall begin to be paid on July 1, 2025, and employees may begin to apply for and receive benefits on October 1, 2026.