



Legislative Council Staff

Research Note

Version: House Second
Reading
Date: 4/25/2017

Bill Number

House Bill 17-1307

Sponsors

*Representative Winter
(None)*

Short Title

*FAMLI Insurance Program Wage
Replacement*

Research Analyst

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Status

The bill is currently pending before the House on second reading. This research note reflects the bill as amended by the House Business Affairs and Labor Committee on April 11, 2017, and the House Finance Committee on April 19, 2017, and heard by the House Appropriations Committee on April 25, 2017.

Background

The U.S. Family and Medical Leave Act of 1993 (FMLA) allows eligible employees of businesses with 50 or more employees to take a total of 12 work weeks of leave during any year for specified serious health and family circumstances. Leave under the FMLA may be paid or unpaid and employees are entitled to their same position, or an equivalent position, upon their return.

Five other states, including California, New Jersey, New York, Rhode Island, and Washington have passed laws that have established paid family leave programs. These programs are in various stages of implementation.

House Action

House Business Affairs and Labor Committee (April 11, 2017). At the hearing, representatives from 9to5 Colorado, the Colorado Plaintiff Employment Lawyers Association, the Colorado Women's Bar Association, the Denver Central Presbyterian Church, Interfaith Alliance Colorado, the Small Business Majority, Product Architects, Applejack Wine & Spirits, Goodbee and Associates, Clinica Family Health, the Women's Foundation of Colorado, the Association of

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Women's Health, Obstetric, and Neonatal Nurses, COLOR, the Colorado Coalition Against Domestic Violence, the Bell Policy Center, the AFL-CIO, Young Invincibles, United Food and Commercial Workers Union Local 7, Colorado WINS, the Protect Life Coalition, Democrats for Life of Colorado, the Women's Lobby of Colorado, the Colorado Cross Disability Coalition, and seven private citizens testified in support of the bill.

Representatives from the Colorado Competitive Council, the Denver Metro Chamber of Commerce, the Colorado Civil Justice League, and the Colorado Association of Commerce and Industry testified in opposition to the bill.

The committee adopted amendments L.001, L.002, L.003, L.005, and L.006, and referred the bill, as amended, to the House Finance Committee.

Amendment L.001 removed the ability of the newly created Division of Family and Medical Leave Insurance (FAMLI) to set solvency surcharge amounts by rule. Amendment L.001 also added a repeal clause for the FAMLI program if the Colorado Department of Labor and Employment (CDLE) fails to convene a group of interested parties to prepare for the creation of the FAMLI program; study the U.S. Department of Labor's open source code and other low-cost alternatives; and develop a plan for the issuance of revenue bonds by the division.

Amendment L.002 extended the amount of time that an employee must be employed by an employer from 30 days to 90 days before they can be eligible for the employment protection provisions of the bill.

Amendment L.003 expanded the definition of employee for purposes of the FAMLI program.

Amendment L.005 added a penalty for anyone who willfully makes a false statement or misrepresentation regarding a material fact or willfully fails to report a material fact of a misdemeanor and a fine of \$1,000.

Amendment L.006 added a provision that requires CDLE to determine and provide nominal and reasonable assistance to employers to offset the initial costs of creating the payroll deduction for its employees.

House Finance Committee (April 19, 2017). At the hearing, representatives from the Colorado Fiscal Institute, 9to5 Colorado, the Small Business Majority, and one private citizen testified in support of the bill. The committee adopted amendment L.010, and referred the bill, as amended, to the House Appropriations Committee.

Amendment L.010 specified that the General Assembly shall not appropriate money from the FAMLI fund for the general expenses of the state and specified that premiums paid by employees in the state for the purposes of the FAMLI program are considered fees and not taxes.

House Appropriations Committee (April 25, 2017). The committee referred the bill, unamended, to the House Committee of the Whole.

Relevant Research

Legislative Council Staff, *Family and Medical Leave Laws*, Issue Brief, April 2017: http://leg.colorado.gov/sites/default/files/ib_17-17_family_and_medical_leave_laws.pdf