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Colorado Secretary of State

2019-2020 #247 Final

*Be it Enacted by the People of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, add part 4 to article 13.3 of title 8 as follows:

**8-13.3-401. Short title.** THIS PART 4 SHALL BE KNOWN AND MAY BE CITED AS THE “PAID FAMILY AND MEDICAL LEAVE INSURANCE ACT”.

**8-13.3-402. Purposes and findings.** THE PEOPLE OF THE STATE OF COLORADO HEREBY FIND AND DECLARE THAT:

(1) WORKERS IN COLORADO EXPERIENCE A VARIETY OF PERSONAL AND FAMILY CAREGIVING OBLIGATIONS, BUT IT CAN BE DIFFICULT OR IMPOSSIBLE TO ADEQUATELY RESPOND TO THOSE NEEDS WITHOUT ACCESS TO PAID LEAVE.

(2) ACCESS TO PAID FAMILY AND MEDICAL LEAVE INSURANCE HELPS EMPLOYERS IN COLORADO BY REDUCING TURNOVER, RECRUITING WORKERS, AND PROMOTING A HEALTHY BUSINESS CLIMATE, WHILE ALSO ENSURING THAT SMALLER EMPLOYERS CAN COMPETE WITH LARGER EMPLOYERS BY PROVIDING PAID LEAVE BENEFITS TO THEIR WORKERS THROUGH AN AFFORDABLE INSURANCE PROGRAM.

(3) PAID FAMILY AND MEDICAL LEAVE INSURANCE WILL ALSO PROVIDE A NECESSARY SAFETY NET FOR ALL COLORADO WORKERS WHEN THEY HAVE PERSONAL OR FAMILY CAREGIVING NEEDS, INCLUDING LOW-INCOME WORKERS LIVING PAYCHECK TO PAYCHECK WHO ARE DISPROPORTIONATELY MORE LIKELY TO LACK ACCESS TO PAID LEAVE AND LEAST ABLE TO AFFORD UNPAID LEAVE.

(4) DUE TO THE NEED TO PROVIDE PAID TIME OFF TO COLORADO WORKERS TO ADDRESS FAMILY AND MEDICAL NEEDS, SUCH AS THE ARRIVAL OF A NEW CHILD, MILITARY FAMILY NEEDS, AND A PERSONAL OR A FAMILY MEMBER’S SERIOUS HEALTH CONDITION, INCLUDING THE EFFECTS OF DOMESTIC VIOLENCE AND SEXUAL ASSAULT, IT IS NECESSARY TO CREATE A STATEWIDE PAID FAMILY AND MEDICAL LEAVE INSURANCE ENTERPRISE AND TO AUTHORIZE THE ENTERPRISE TO:

(a) COLLECT INSURANCE PREMIUMS FROM EMPLOYERS AND EMPLOYEES AT RATES REASONABLY CALCULATED TO DEFRAY THE COSTS OF PROVIDING THE PROGRAM’S LEAVE BENEFITS TO WORKERS; AND

(b) RECEIVE AND EXPEND REVENUES GENERATED BY THE PREMIUMS AND OTHER MONEYS, ISSUE REVENUE BONDS AND OTHER OBLIGATIONS, EXPEND REVENUES GENERATED BY THE PREMIUMS TO PAY FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS AND ASSOCIATED ADMINISTRATIVE AND PROGRAM COSTS, AND EXERCISE OTHER POWERS NECESSARY AND APPROPRIATE TO CARRY OUT ITS PURPOSES.

(5) THE FISCAL APPROACH OF THIS PART 4 HAS BEEN INFORMED BY THE EXPERIENCE OF OTHER STATE FAMILY AND MEDICAL LEAVE INSURANCE PROGRAMS, MODELING BASED ON THE COLORADO WORKFORCE, AND INPUT FROM A VARIETY OF STAKEHOLDERS IN COLORADO.

(6) THE CREATION OF A STATEWIDE PAID FAMILY AND MEDICAL LEAVE INSURANCE ENTERPRISE IS IN THE PUBLIC INTEREST AND WILL PROMOTE THE HEALTH, SAFETY, AND WELFARE OF ALL COLORADANS, WHILE ALSO ENCOURAGING AN ENTREPRENEURIAL ATMOSPHERE AND ECONOMIC GROWTH.

**8-13.3-403. Definitions.** AS USED IN THIS PART 4, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "APPLICATION YEAR" MEANS THE 12-MONTH PERIOD BEGINNING ON THE FIRST DAY OF THE CALENDAR WEEK IN WHICH AN INDIVIDUAL FILES AN APPLICATION FOR FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS.

(2) "AVERAGE WEEKLY WAGE" MEANS ONE-THIRTEENTH OF THE WAGES PAID DURING THE QUARTER OF THE COVERED INDIVIDUAL'S BASE PERIOD, AS DEFINED IN SECTION 8-70-103 (2), OR ALTERNATIVE BASE PERIOD, AS DEFINED IN SECTION 8-70-103 (1.5), IN WHICH THE TOTAL WAGES WERE HIGHEST. FOR PURPOSES OF CALCULATING AVERAGE WEEKLY WAGE, WAGES INCLUDE, BUT ARE NOT LIMITED TO, SALARY, WAGES, TIPS, COMMISSIONS, AND OTHER COMPENSATION AS DETERMINED BY THE DIRECTOR BY RULE.

(3) "COVERED INDIVIDUAL" MEANS ANY PERSON WHO:

(a)(I) EARNED AT LEAST \$2,500 IN WAGES SUBJECT TO PREMIUMS UNDER THIS PART 4 DURING THE PERSON'S BASE PERIOD, AS DEFINED IN SECTION 8-70-103 (2), OR ALTERNATIVE BASE PERIOD, AS DEFINED IN SECTION 8-70-103 (1.5); OR

(II) IS SELF-EMPLOYED, ELECTS COVERAGE AND MEETS THE REQUIREMENTS OF SECTION 8-13.3-414;

(b) MEETS THE ADMINISTRATIVE REQUIREMENTS OUTLINED IN THIS PART 4 AND IN REGULATIONS; AND

(c) SUBMITS AN APPLICATION WITH A CLAIM FOR BENEFITS PURSUANT TO SECTION 8-13.3-416(6)(d).

(4) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION.

(5) "DIVISION" MEANS THE DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE CREATED IN SECTION 8-13.3-408.

(6) "DOMESTIC VIOLENCE" MEANS ANY CONDUCT THAT CONSTITUTES "DOMESTIC VIOLENCE" AS SET FORTH IN SECTION 18-6-800.3(1) OR SECTION 14-10-124 (1.3)(a) OR "DOMESTIC ABUSE" AS SET FORTH IN SECTION 13-14-101(2).

(7) "EMPLOYEE" MEANS ANY INDIVIDUAL, INCLUDING A MIGRATORY LABORER, PERFORMING LABOR OR SERVICES FOR THE BENEFIT OF ANOTHER, IRRESPECTIVE OF WHETHER THE COMMON-LAW RELATIONSHIP OF MASTER AND SERVANT EXISTS. FOR THE PURPOSES OF THIS PART 4, AN INDIVIDUAL PRIMARILY FREE FROM CONTROL AND DIRECTION IN THE PERFORMANCE OF THE LABOR OR SERVICES, BOTH UNDER THE INDIVIDUAL'S CONTRACT FOR THE PERFORMANCE OF THE LABOR OR SERVICES AND IN FACT, AND WHO IS CUSTOMARILY ENGAGED IN AN INDEPENDENT TRADE, OCCUPATION, PROFESSION, OR BUSINESS RELATED TO THE LABOR OR SERVICES PERFORMED IS NOT AN "EMPLOYEE." "EMPLOYEE" DOES NOT INCLUDE A RAILROAD WORKER EXEMPTED UNDER THE FEDERAL "RAILROAD UNEMPLOYMENT INSURANCE ACT," 45 U.S.C. SEC. 351 ET SEQ.

(8) (a) "EMPLOYER" MEANS ANY PERSON ENGAGED IN COMMERCE OR AN INDUSTRY OR ACTIVITY AFFECTING COMMERCE THAT:

(I) EMPLOYS AT LEAST ONE PERSON FOR EACH WORKING DAY DURING EACH OF TWENTY OR MORE CALENDAR WORKWEEKS IN THE CURRENT OR IMMEDIATELY PRECEDING CALENDAR YEAR; OR

(II) PAID WAGES OF ONE THOUSAND FIVE HUNDRED DOLLARS OR MORE DURING ANY CALENDAR QUARTER IN THE PRECEDING CALENDAR YEAR.

(b) "EMPLOYER INCLUDES:

(I) A PERSON WHO ACTS, DIRECTLY OR INDIRECTLY, IN THE INTEREST OF AN EMPLOYER WITH REGARD TO ANY OF THE EMPLOYEES OF THE EMPLOYER;

(II) A SUCCESSOR IN INTEREST OF AN EMPLOYER THAT ACQUIRES ALL OF THE ORGANIZATION, TRADE, OR BUSINESS OR SUBSTANTIALLY ALL OF THE ASSETS OF ONE OR MORE EMPLOYERS; AND

(III) THE STATE OR A POLITICAL SUBDIVISION OF THE STATE.

(c) "EMPLOYER" DOES NOT INCLUDE THE FEDERAL GOVERNMENT.

(9) "FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS" OR "BENEFITS" MEANS THE BENEFITS PROVIDED UNDER THE TERMS OF THIS PART 4.

(10) "FAMILY MEMBER" MEANS:

(a) REGARDLESS OF AGE, A BIOLOGICAL, ADOPTED OR FOSTER CHILD, STEPCHILD OR LEGAL WARD, A CHILD OF A DOMESTIC PARTNER, A CHILD TO WHOM THE COVERED INDIVIDUAL STANDS IN LOCO PARENTIS, OR A PERSON TO WHOM THE COVERED INDIVIDUAL STOOD IN LOCO PARENTIS WHEN THE PERSON WAS A MINOR;

(b) A BIOLOGICAL, ADOPTIVE OR FOSTER PARENT, STEPPARENT OR LEGAL GUARDIAN OF A COVERED INDIVIDUAL OR COVERED INDIVIDUAL'S SPOUSE OR DOMESTIC PARTNER OR A PERSON WHO STOOD IN LOCO PARENTIS WHEN THE COVERED INDIVIDUAL OR COVERED INDIVIDUAL'S SPOUSE OR DOMESTIC PARTNER WAS A MINOR CHILD;

(c) A PERSON TO WHOM THE COVERED INDIVIDUAL IS LEGALLY MARRIED UNDER THE LAWS OF ANY STATE, OR A DOMESTIC PARTNER OF A COVERED INDIVIDUAL AS DEFINED IN SECTION 24-50-603 (6.5);

(d) A GRANDPARENT, GRANDCHILD OR SIBLING (WHETHER A BIOLOGICAL, FOSTER, ADOPTIVE OR STEP RELATIONSHIP) OF THE COVERED INDIVIDUAL OR COVERED INDIVIDUAL'S SPOUSE OR DOMESTIC PARTNER; OR

(e) AS SHOWN BY THE COVERED INDIVIDUAL, ANY OTHER INDIVIDUAL WITH WHOM THE COVERED INDIVIDUAL HAS A SIGNIFICANT PERSONAL BOND THAT IS OR IS LIKE A FAMILY RELATIONSHIP, REGARDLESS OF BIOLOGICAL OR LEGAL RELATIONSHIP.

(11) "FUND" MEANS THE FAMILY AND MEDICAL LEAVE INSURANCE FUND CREATED IN SECTION 8-13.3-418.

(12) "HEALTH CARE PROVIDER" MEANS ANY PERSON LICENSED, CERTIFIED, OR REGISTERED UNDER FEDERAL OR COLORADO LAW TO PROVIDE MEDICAL OR EMERGENCY SERVICES, INCLUDING, BUT NOT LIMITED TO, PHYSICIANS, DOCTORS, NURSES, EMERGENCY ROOM PERSONNEL, AND MIDWIVES.

(13) "PAID FAMILY AND MEDICAL LEAVE" MEANS LEAVE TAKEN FROM EMPLOYMENT IN CONNECTION WITH FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS UNDER THIS PART 4.

(14) "QUALIFYING EXIGENCY LEAVE" MEANS LEAVE BASED ON A NEED ARISING OUT OF A COVERED INDIVIDUAL'S FAMILY MEMBER'S ACTIVE DUTY SERVICE OR NOTICE OF AN IMPENDING CALL OR ORDER TO ACTIVE DUTY IN THE ARMED FORCES, INCLUDING, BUT NOT LIMITED TO, PROVIDING FOR THE CARE OR OTHER NEEDS OF THE MILITARY MEMBER'S CHILD OR OTHER FAMILY MEMBER, MAKING FINANCIAL OR LEGAL ARRANGEMENTS FOR THE MILITARY MEMBER, ATTENDING COUNSELING, ATTENDING MILITARY EVENTS OR CEREMONIES, SPENDING TIME WITH THE MILITARY MEMBER DURING A REST AND RECUPERATION LEAVE OR FOLLOWING RETURN FROM DEPLOYMENT, OR MAKING ARRANGEMENTS FOLLOWING THE DEATH OF THE MILITARY MEMBER.

(15) "RETALIATORY PERSONNEL ACTION" MEANS DENIAL OF ANY RIGHT GUARANTEED UNDER THIS PART 4, INCLUDING, BUT NOT LIMITED TO, ANY THREAT, DISCHARGE, SUSPENSION, DEMOTION, REDUCTION OF HOURS, OR ANY OTHER ADVERSE ACTION AGAINST AN EMPLOYEE FOR THE EXERCISE OF ANY RIGHT GUARANTEED HEREIN. "RETALIATORY PERSONNEL ACTION" ALSO INCLUDES INTERFERENCE WITH OR PUNISHMENT FOR IN ANY MANNER PARTICIPATING IN OR ASSISTING AN INVESTIGATION, PROCEEDING, OR HEARING UNDER THIS PART 4.

(16) "SAFE LEAVE" MEANS ANY LEAVE BECAUSE THE COVERED INDIVIDUAL OR THE COVERED INDIVIDUAL'S FAMILY MEMBER IS THE VICTIM OF DOMESTIC VIOLENCE, THE VICTIM OF STALKING, OR THE VICTIM OF SEXUAL ASSAULT OR ABUSE. SAFE LEAVE UNDER THIS PART 4 APPLIES IF THE COVERED INDIVIDUAL IS USING THE LEAVE FROM WORK TO PROTECT THE COVERED INDIVIDUAL OR THE COVERED INDIVIDUAL'S FAMILY MEMBER BY:

(a) SEEKING A CIVIL PROTECTION ORDER TO PREVENT DOMESTIC VIOLENCE PURSUANT TO SECTIONS 13-14-104.5, 13-14-106, OR 13-14-108;

(b) OBTAINING MEDICAL CARE OR MENTAL HEALTH COUNSELING OR BOTH FOR HIMSELF OR HERSELF OR FOR HIS OR HER CHILDREN TO ADDRESS PHYSICAL OR PSYCHOLOGICAL INJURIES RESULTING FROM THE ACT OF DOMESTIC VIOLENCE, STALKING, OR SEXUAL ASSAULT OR ABUSE;

(c) MAKING HIS OR HER HOME SECURE FROM THE PERPETRATOR OF THE ACT OF DOMESTIC VIOLENCE, STALKING, OR SEXUAL ASSAULT OR ABUSE, OR SEEKING NEW HOUSING TO ESCAPE SAID PERPETRATOR; OR

(d) SEEKING LEGAL ASSISTANCE TO ADDRESS ISSUES ARISING FROM THE ACT OF DOMESTIC VIOLENCE, STALKING, OR SEXUAL ASSAULT OR ABUSE, OR ATTENDING AND PREPARING FOR COURT-RELATED PROCEEDINGS ARISING FROM SAID ACT OR CRIME.

(17) "SERIOUS HEALTH CONDITION" IS AN ILLNESS, INJURY, IMPAIRMENT, PREGNANCY, RECOVERY FROM CHILDBIRTH, OR PHYSICAL OR MENTAL CONDITION THAT INVOLVES INPATIENT CARE IN A HOSPITAL, HOSPICE OR RESIDENTIAL MEDICAL CARE FACILITY, OR CONTINUING TREATMENT BY A HEALTH CARE PROVIDER.

(18) "SEXUAL ASSAULT OR ABUSE" MEANS ANY OFFENSE AS DESCRIBED IN SECTION 16-11.7-102 (3), OR SEXUAL ASSAULT, AS DESCRIBED IN SECTION 18-3-402, COMMITTED BY ANY PERSON AGAINST ANOTHER PERSON REGARDLESS OF THE RELATIONSHIP BETWEEN THE ACTOR AND THE VICTIM.

(19) "STALKING" MEANS ANY ACT AS DESCRIBED IN SECTION 18-3-602.

(20) "STATE AVERAGE WEEKLY WAGE" MEANS THE STATE AVERAGE WEEKLY WAGE DETERMINED IN ACCORDANCE WITH SECTION 8-47-106.

**8-13.3-404. Eligibility.** BEGINNING JANUARY 1, 2024, FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS ARE PAYABLE, AND THE RIGHT TO PAID FAMILY AND MEDICAL LEAVE IS AVAILABLE, TO AN INDIVIDUAL WHO:

- (1) MEETS THE DEFINITION OF "COVERED INDIVIDUAL" UNDER SECTION 8-13.3-403 (3); AND
- (2) MEETS ONE OF THE FOLLOWING REQUIREMENTS:
  - (a) BECAUSE OF BIRTH, ADOPTION OR PLACEMENT THROUGH FOSTER CARE, IS CARING FOR A NEW CHILD DURING THE FIRST YEAR AFTER THE BIRTH, ADOPTION OR PLACEMENT OF THAT CHILD;
  - (b) IS CARING FOR A FAMILY MEMBER WITH A SERIOUS HEALTH CONDITION;
  - (c) HAS A SERIOUS HEALTH CONDITION;
  - (d) BECAUSE OF ANY QUALIFYING EXIGENCY LEAVE;
  - (e) HAS A NEED FOR SAFE LEAVE.

**8-13.3-405. Duration.** (1) (a) THE MAXIMUM NUMBER OF WEEKS FOR WHICH AN ELIGIBLE INDIVIDUAL MAY TAKE PAID FAMILY AND MEDICAL LEAVE AND FOR WHICH FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS ARE PAYABLE UNDER SECTION 8-13.3-404 (2)(c) IN AN APPLICATION YEAR IS 16 WEEKS.

(b) THE MAXIMUM NUMBER OF WEEKS FOR WHICH AN ELIGIBLE INDIVIDUAL MAY TAKE PAID FAMILY AND MEDICAL LEAVE AND FOR WHICH FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS ARE PAYABLE IN TOTAL UNDER SECTIONS 8-13.3-404 (2)(a), (2)(b), (2)(d) or (2)(e) IN AN APPLICATION YEAR IS 16 WEEKS.

(c) A COVERED INDIVIDUAL IS ELIGIBLE FOR A COMBINED MAXIMUM OF 26 WEEKS TOTAL OF PAID FAMILY AND MEDICAL LEAVE AND FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS IN AN APPLICATION YEAR FOR A COMBINATION OF PURPOSES IN SECTION 8-13.3-404(2), SUBJECT TO THE LIMITS DESCRIBED IN THIS SECTION. FOR PURPOSES OF THIS SUBSECTION, CARING FOR A NEW CHILD IS A SEPARATE QUALIFYING PURPOSE FROM A SERIOUS HEALTH CONDITION RELATED TO AND INCLUDING PREGNANCY AND RECOVERY FROM CHILDBIRTH.

(2) THE FIRST PAYMENT OF BENEFITS SHALL BE MADE TO AN INDIVIDUAL WITHIN TWO WEEKS AFTER THE CLAIM IS FILED AND SUBSEQUENT PAYMENTS SHALL BE MADE EVERY TWO WEEKS THEREAFTER.

(3) A COVERED INDIVIDUAL MAY TAKE INTERMITTENT LEAVE IN INCREMENTS OF EITHER ONE HOUR OR SHORTER PERIODS IF CONSISTENT WITH THE INCREMENTS THE EMPLOYER TYPICALLY USES TO MEASURE EMPLOYEE LEAVE, EXCEPT THAT BENEFITS ARE NOT PAYABLE UNTIL THE COVERED INDIVIDUAL ACCUMULATES AT LEAST ONE DAY OR EIGHT HOURS OF FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS.

(4) THE COVERED INDIVIDUAL SHALL MAKE A REASONABLE EFFORT TO SCHEDULE PAID FAMILY AND MEDICAL LEAVE UNDER THIS PART 4 SO AS NOT TO UNDULY DISRUPT THE OPERATIONS OF THE EMPLOYER.

(5) IN ANY CASE IN WHICH THE NECESSITY FOR LEAVE UNDER THIS PART 4 IS FORESEEABLE, AN EMPLOYEE SHALL PROVIDE NOTICE TO THE INDIVIDUAL'S EMPLOYER WITH NOT LESS THAN 30 DAYS' NOTICE BEFORE THE DATE THE LEAVE IS TO BEGIN OF THE INDIVIDUAL'S INTENTION TO TAKE LEAVE UNDER THIS PART 4. IF THE NECESSITY FOR LEAVE IS NOT FORESEEABLE OR PROVIDING 30 DAYS' NOTICE IS NOT POSSIBLE, THE INDIVIDUAL SHALL PROVIDE THE NOTICE AS SOON AS PRACTICABLE.

(6) NOTHING IN THIS SECTION ENTITLES A COVERED INDIVIDUAL TO MORE LEAVE THAN REQUIRED UNDER THIS SECTION.

**8-13.3-406. Amount of benefits.** (1) THE AMOUNT OF FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS SHALL BE DETERMINED AS FOLLOWS:

(a) THE WEEKLY BENEFIT SHALL BE DETERMINED AS FOLLOWS:

(I) THE PORTION OF THE COVERED INDIVIDUAL'S AVERAGE WEEKLY WAGE THAT IS EQUAL TO OR LESS THAN 50 PERCENT OF THE STATE AVERAGE WEEKLY WAGE SHALL BE REPLACED AT A RATE OF 90 PERCENT; AND

(II) THE PORTION OF THE COVERED INDIVIDUAL'S AVERAGE WEEKLY WAGE THAT IS MORE THAN 50 PERCENT OF THE STATE AVERAGE WEEKLY WAGE SHALL BE REPLACED AT A RATE OF 50 PERCENT.

(b) THE MAXIMUM WEEKLY BENEFIT IS 100% OF THE STATE AVERAGE WEEKLY WAGE, EXCEPT THAT FOR PAID FAMILY AND MEDICAL LEAVES BEGINNING BEFORE JANUARY 1, 2025, THE MAXIMUM WEEKLY BENEFIT IS \$1,100.

(2) THE DIVISION SHALL CALCULATE A COVERED INDIVIDUAL'S WEEKLY BENEFIT AMOUNT BASED ON THE COVERED INDIVIDUAL'S AVERAGE WEEKLY WAGE EARNED FROM THE JOB OR JOBS FROM WHICH THE COVERED INDIVIDUAL IS TAKING PAID FAMILY AND MEDICAL LEAVE, UP TO THE MAXIMUM TOTAL BENEFIT ESTABLISHED IN SECTION 8-13.3-406 (1)(b). IF A COVERED INDIVIDUAL TAKING PAID FAMILY AND MEDICAL LEAVE FROM A JOB CONTINUES WORKING AT AN ADDITIONAL JOB OR JOBS DURING THIS TIME, THE DIVISION SHALL NOT CONSIDER THE COVERED INDIVIDUAL'S AVERAGE WEEKLY WAGE EARNED FROM THE ADDITIONAL JOB OR JOBS WHEN CALCULATING THE COVERED INDIVIDUAL'S WEEKLY BENEFIT AMOUNT. A COVERED INDIVIDUAL WITH MULTIPLE JOBS MAY ELECT WHETHER TO TAKE LEAVE FROM ONE JOB OR MULTIPLE JOBS.

**8-13.3-407. Premiums.** (1) PAYROLL PREMIUMS SHALL BE AUTHORIZED IN ORDER TO FINANCE THE PAYMENT OF BENEFITS UNDER THE FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM.

(2) BEGINNING ON JANUARY 1, 2023, FOR EACH EMPLOYEE, AN EMPLOYER SHALL REMIT TO THE FUND ESTABLISHED UNDER SECTION 8-13.3-418 PREMIUMS IN THE FORM AND MANNER DETERMINED BY THE DIVISION.

(3) (a) FROM JANUARY 1, 2023, THROUGH DECEMBER 31, 2024, THE PREMIUM AMOUNT IS ONE AND FOUR HUNDREDTHS OF A PERCENT OF WAGES PER EMPLOYEE.

(b) FOR THE 2025 CALENDAR YEAR, AND EACH CALENDAR YEAR THEREAFTER, THE DIRECTOR SHALL SET THE PREMIUM BASED ON A PERCENT OF EMPLOYEE WAGES AND AT THE RATE NECESSARY TO OBTAIN A TOTAL AMOUNT OF PREMIUM CONTRIBUTIONS EQUAL TO ONE HUNDRED THIRTY-FIVE PERCENT OF THE BENEFITS PAID DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR PLUS AN AMOUNT EQUAL TO ONE HUNDRED PERCENT OF THE COST OF ADMINISTRATION OF THE PAYMENT OF THOSE BENEFITS DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR, LESS THE AMOUNT OF NET ASSETS REMAINING IN THE FUND AS OF DECEMBER 31 OF THE IMMEDIATELY PRECEDING CALENDAR YEAR. THE DIVISION SHALL PROVIDE PUBLIC NOTICE IN ADVANCE OF JANUARY FIRST OF ANY CHANGES TO THE PREMIUM.

(4) A SELF-EMPLOYED INDIVIDUAL WHO ELECTS COVERAGE UNDER SECTION 8-13.3-414 SHALL PAY ONLY THE EMPLOYEE SHARE OF THE PREMIUM AMOUNT ESTABLISHED PURSUANT TO THIS SECTION ON THAT INDIVIDUAL'S INCOME FROM SELF-EMPLOYMENT.

(5) AN EMPLOYER SHALL NOT DEDUCT MORE THAN 25 PERCENT OF THE PREMIUM REQUIRED FOR AN EMPLOYEE BY SECTION 8-13.3-407 (3) FROM THAT EMPLOYEE'S WAGES AND SHALL REMIT THE FULL PREMIUM REQUIRED UNDER SAID SUBSECTION TO THE FUND.

(6) PREMIUMS SHALL NOT BE REQUIRED FOR EMPLOYEES' WAGES ABOVE THE CONTRIBUTION AND BENEFIT BASE LIMIT ESTABLISHED ANNUALLY BY THE FEDERAL SOCIAL SECURITY ADMINISTRATION FOR PURPOSES OF THE FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE PROGRAM LIMITS PURSUANT TO 42 U.S.C. SEC. 430.

(7) THE PREMIUMS COLLECTED UNDER THIS PART 4 ARE USED EXCLUSIVELY FOR THE PAYMENT OF FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS AND THE ADMINISTRATION OF THE PROGRAM. PREMIUMS ESTABLISHED UNDER THIS SECTION ARE FEES AND NOT TAXES.

**8-13.3-408. Division of family and medical leave insurance.** (1) THERE IS HEREBY CREATED IN THE DEPARTMENT OF LABOR AND EMPLOYMENT THE DIVISION OF FAMILY AND MEDICAL LEAVE INSURANCE, THE HEAD OF WHICH IS THE DIRECTOR OF THE DIVISION.

(2)(a) THE DIVISION CONSTITUTES AN ENTERPRISE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION, AS LONG AS THE DIVISION RETAINS AUTHORITY TO ISSUE REVENUE BONDS AND THE DIVISION RECEIVES LESS THAN TEN PERCENT OF ITS TOTAL ANNUAL REVENUES IN GRANTS, AS DEFINED IN SECTION 24-77-102(7), FROM ALL COLORADO STATE AND LOCAL GOVERNMENTS COMBINED. FOR AS LONG AS IT CONSTITUTES AN ENTERPRISE PURSUANT TO THIS SECTION, THE DIVISION IS NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE COLORADO CONSTITUTION.

(b) THE ENTERPRISE ESTABLISHED PURSUANT TO THIS SUBSECTION (2) HAS ALL THE POWERS AND DUTIES AUTHORIZED BY THIS PART 4 PERTAINING TO FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS. THE FUND CONSTITUTES PART OF THE ENTERPRISE ESTABLISHED PURSUANT TO THIS SUBSECTION (2).

(c) NOTHING IN THIS SUBSECTION (2) LIMITS OR RESTRICTS THE AUTHORITY OF THE DIVISION TO EXPEND ITS REVENUES CONSISTENT WITH THIS PART 4.

(d) THE DIVISION IS HEREBY AUTHORIZED TO ISSUE REVENUE BONDS FOR THE EXPENSES OF THE DIVISION, WHICH BONDS MAY BE SECURED BY ANY REVENUES OF THE DIVISION. REVENUE FROM THE BONDS ISSUED PURSUANT TO THIS SUBSECTION (2) SHALL BE DEPOSITED INTO THE FUND.

**8-13.3-409. Leave and employment protection.** (1) ANY COVERED INDIVIDUAL WHO HAS BEEN EMPLOYED WITH THE COVERED INDIVIDUAL'S CURRENT EMPLOYER FOR AT LEAST 90 DAYS PRIOR TO THE COMMENCEMENT OF THE COVERED INDIVIDUAL'S PAID FAMILY AND MEDICAL LEAVE WHO EXERCISES THE COVERED INDIVIDUAL'S RIGHT TO FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS SHALL, UPON THE EXPIRATION OF THAT LEAVE, BE ENTITLED TO BE RESTORED BY THE EMPLOYER TO THE POSITION HELD BY THE COVERED INDIVIDUAL WHEN THE LEAVE COMMENCED, OR TO A POSITION WITH EQUIVALENT SENIORITY, STATUS, EMPLOYMENT BENEFITS, PAY AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT INCLUDING FRINGE BENEFITS AND SERVICE CREDITS THAT THE COVERED INDIVIDUAL HAD BEEN ENTITLED TO AT THE COMMENCEMENT OF LEAVE. NOTHING IN THIS SECTION ENTITLES ANY RESTORED EMPLOYEE TO:

(a) THE ACCRUAL OF ANY SENIORITY OR EMPLOYMENT BENEFITS DURING ANY PERIOD OF LEAVE;  
OR

(b) ANY RIGHT, BENEFIT, OR POSITION OF EMPLOYMENT OTHER THAN ANY RIGHT, BENEFIT, OR POSITION TO WHICH THE EMPLOYEE WOULD HAVE BEEN ENTITLED HAD THE EMPLOYEE NOT TAKEN THE LEAVE. NOTHING IN THIS SECTION RELIEVES AN EMPLOYER OF ANY OBLIGATION UNDER A COLLECTIVE BARGAINING AGREEMENT.

(2) DURING ANY PAID FAMILY AND MEDICAL LEAVE TAKEN PURSUANT TO THIS PART 4, THE EMPLOYER SHALL MAINTAIN ANY HEALTH CARE BENEFITS THE COVERED INDIVIDUAL HAD PRIOR TO

TAKING SUCH LEAVE FOR THE DURATION OF THE LEAVE AS IF THE COVERED INDIVIDUAL HAD CONTINUED IN EMPLOYMENT CONTINUOUSLY FROM THE DATE THE INDIVIDUAL COMMENCED THE LEAVE UNTIL THE DATE THE FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS TERMINATE; PROVIDED, HOWEVER, THAT THE COVERED INDIVIDUAL SHALL CONTINUE TO PAY THE COVERED INDIVIDUAL'S SHARE OF THE COST OF HEALTH BENEFITS AS REQUIRED PRIOR TO THE COMMENCEMENT OF THE LEAVE.

(3) IT IS UNLAWFUL FOR AN EMPLOYER OR ANY OTHER PERSON TO INTERFERE WITH, RESTRAIN, OR DENY THE EXERCISE OF, OR THE ATTEMPT TO EXERCISE, ANY RIGHT PROTECTED UNDER THIS PART 4.

(4) AN EMPLOYER, TEMPORARY HELP COMPANY, EMPLOYMENT AGENCY, EMPLOYEE ORGANIZATION OR OTHER PERSON SHALL NOT TAKE RETALIATORY PERSONNEL ACTION OR OTHERWISE DISCRIMINATE AGAINST A PERSON BECAUSE THE INDIVIDUAL EXERCISED RIGHTS PROTECTED UNDER THIS PART 4. SUCH RIGHTS INCLUDE, BUT ARE NOT LIMITED TO, THE RIGHT TO: REQUEST, FILE FOR, APPLY FOR OR USE BENEFITS PROVIDED FOR UNDER THIS PART 4; TAKE PAID FAMILY AND MEDICAL LEAVE FROM WORK UNDER THIS PART 4; COMMUNICATE TO THE EMPLOYER OR ANY OTHER PERSON OR ENTITY AN INTENT TO FILE A CLAIM, A COMPLAINT WITH THE DIVISION OR COURTS, OR AN APPEAL; TESTIFY OR ASSIST IN ANY INVESTIGATION, HEARING OR PROCEEDING UNDER THIS PART 4, AT ANY TIME, INCLUDING DURING THE PERIOD IN WHICH THE PERSON RECEIVES FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS UNDER THIS PART 4; INFORM ANY PERSON ABOUT ANY EMPLOYER'S ALLEGED VIOLATION OF THIS PART 4; AND INFORM ANY PERSON OF HIS OR HER RIGHTS UNDER THIS PART 4.

(5) IT IS UNLAWFUL FOR AN EMPLOYER'S ABSENCE CONTROL POLICY TO COUNT PAID FAMILY AND MEDICAL LEAVE TAKEN UNDER THIS PART 4 AS AN ABSENCE THAT MAY LEAD TO OR RESULT IN DISCIPLINE, DISCHARGE, DEMOTION, SUSPENSION OR ANY OTHER ADVERSE ACTION.

(6) ANY NEGATIVE CHANGE IN THE SENIORITY, STATUS, EMPLOYMENT BENEFITS, PAY OR OTHER TERMS OR CONDITIONS OF EMPLOYMENT OF AN EMPLOYEE WHICH OCCURS ANY TIME DURING A PAID FAMILY AND MEDICAL LEAVE TAKEN BY AN EMPLOYEE UNDER THIS CHAPTER, OR DURING THE 6 MONTH PERIOD FOLLOWING AN EMPLOYEE'S PAID FAMILY AND MEDICAL LEAVE OR RESTORATION TO A POSITION PURSUANT TO THIS SECTION, OR OF AN EMPLOYEE WHO HAS PARTICIPATED IN PROCEEDINGS OR INQUIRIES PURSUANT TO THIS SECTION WITHIN 6 MONTHS OF THE TERMINATION OF PROCEEDINGS IS PRESUMED TO BE RETALIATION UNDER THIS SECTION. SUCH PRESUMPTION SHALL BE REBUTTED ONLY BY CLEAR AND CONVINCING EVIDENCE THAT SUCH EMPLOYER'S ACTION WAS NOT RETALIATION AGAINST THE EMPLOYEE AND THAT THE EMPLOYER HAD SUFFICIENT INDEPENDENT JUSTIFICATION FOR TAKING SUCH ACTION AND WOULD HAVE IN FACT TAKEN SUCH ACTION IN THE SAME MANNER AND AT THE SAME TIME THE ACTION WAS TAKEN, REGARDLESS OF THE EMPLOYEE'S USE OF PAID FAMILY AND MEDICAL LEAVE, RESTORATION TO A POSITION OR PARTICIPATION IN PROCEEDINGS OR INQUIRIES AS DESCRIBED IN THIS SUBSECTION. AN EMPLOYER FOUND TO HAVE THREATENED, COERCED OR TAKEN REPRISAL AGAINST ANY EMPLOYEE PURSUANT TO THIS SUBSECTION SHALL RESCIND ANY ADVERSE ALTERATION IN THE TERMS OF EMPLOYMENT FOR SUCH EMPLOYEE AND SHALL OFFER REINSTATEMENT TO ANY TERMINATED EMPLOYEE AND WILL BE LIABLE IN AN ACTION BROUGHT UNDER SECTION 8-13.3-409 (7).

(7) (a) AN AGGRIEVED INDIVIDUAL UNDER THIS SECTION MAY BRING A CIVIL ACTION IN A COURT OF COMPETENT JURISDICTION.

(b) AN EMPLOYER WHO VIOLATES THIS SECTION IS SUBJECT TO THE DAMAGES AND EQUITABLE RELIEF AVAILABLE UNDER 29 U.S.C. SEC. 2617(a)(1).



(c) EXCEPT AS PROVIDED IN SECTION 8-13.3-409 (7)(d), A CLAIM BROUGHT IN ACCORDANCE WITH THIS SECTION MUST BE FILED WITHIN TWO YEARS AFTER THE DATE OF THE LAST EVENT CONSTITUTING THE ALLEGED VIOLATION FOR WHICH THE ACTION IS BROUGHT.

(d) IN THE CASE OF SUCH ACTION BROUGHT FOR A WILLFUL VIOLATION OF THIS SECTION, SUCH ACTION MAY BE BROUGHT WITHIN 3 YEARS OF THE DATE OF THE LAST EVENT CONSTITUTING THE ALLEGED VIOLATION FOR WHICH SUCH ACTION IS BROUGHT.

(8) THE DIRECTOR, BY RULE, SHALL ESTABLISH A FINE STRUCTURE FOR EMPLOYERS WHO VIOLATE THIS SECTION, WITH A MAXIMUM FINE OF \$500 PER VIOLATION. THE DIRECTOR SHALL TRANSFER ANY FINES COLLECTED PURSUANT TO THIS SECTION TO THE STATE TREASURER FOR DEPOSIT IN THE FUND. THE DIRECTOR, BY RULE, SHALL ESTABLISH A PROCESS FOR THE DETERMINATION, ASSESSMENT, AND APPEAL OF FINES UNDER THIS SUBSECTION.

**8-13.3-410. Coordination of benefits.** (1)(a) LEAVE TAKEN WITH WAGE REPLACEMENT UNDER THIS PART 4 THAT ALSO QUALIFIES AS LEAVE UNDER THE "FAMILY AND MEDICAL LEAVE ACT," AS AMENDED, PUB. L. 103-3, CODIFIED AT 29 U.S.C. SEC. 2601 ET. SEQ., OR PART 2 OF ARTICLE 13.3 OF TITLE 8 RUNS CONCURRENTLY WITH LEAVE TAKEN UNDER THE "FAMILY AND MEDICAL LEAVE ACT" OR PART 2 OF ARTICLE 13.3 OF TITLE 8, AS APPLICABLE.

(b) AN EMPLOYER MAY REQUIRE THAT PAYMENT MADE OR PAID FAMILY AND MEDICAL LEAVE TAKEN UNDER THIS PART 4 BE MADE OR TAKEN CONCURRENTLY OR OTHERWISE COORDINATED WITH PAYMENT MADE OR LEAVE ALLOWED UNDER THE TERMS OF A DISABILITY POLICY, INCLUDING A DISABILITY POLICY CONTAINED WITHIN AN EMPLOYMENT CONTRACT, OR A SEPARATE BANK OF TIME OFF SOLELY FOR THE PURPOSE OF PAID FAMILY AND MEDICAL LEAVE UNDER THIS PART 4, AS APPLICABLE. THE EMPLOYER SHALL GIVE ITS EMPLOYEES WRITTEN NOTICE OF THIS REQUIREMENT.

(c) NOTWITHSTANDING SECTION 8-13.3-410 (1)(b), UNDER NO CIRCUMSTANCES SHALL A COVERED INDIVIDUAL BE REQUIRED TO USE OR EXHAUST ANY ACCRUED VACATION LEAVE, SICK LEAVE, OR OTHER PAID TIME OFF PRIOR TO OR WHILE RECEIVING FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS UNDER THIS PART 4. HOWEVER, A COVERED INDIVIDUAL MAY USE ANY ACCRUED VACATION LEAVE, SICK LEAVE, OR OTHER PAID TIME OFF WHILE RECEIVING FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS UNDER THIS PART 4, UNLESS THE AGGREGATE AMOUNT A COVERED INDIVIDUAL WOULD RECEIVE WOULD EXCEED THE COVERED INDIVIDUAL'S AVERAGE WEEKLY WAGE. NOTHING IN THIS SUBSECTION REQUIRES AN EMPLOYEE TO RECEIVE OR USE, OR AN EMPLOYER TO PROVIDE, ADDITIONAL PAID TIME OFF AS DESCRIBED IN THIS SUBSECTION.

(2)(a) THIS CHAPTER DOES NOT DIMINISH:

(I) THE RIGHTS, PRIVILEGES, OR REMEDIES OF AN EMPLOYEE UNDER A COLLECTIVE BARGAINING AGREEMENT, EMPLOYER POLICY, OR EMPLOYMENT CONTRACT;

(II) AN EMPLOYER'S OBLIGATION TO COMPLY WITH A COLLECTIVE BARGAINING AGREEMENT, EMPLOYER POLICY, OR EMPLOYMENT CONTRACT, AS APPLICABLE, THAT PROVIDES GREATER LEAVE THAN PROVIDED UNDER THIS PART 4; OR

(III) ANY LAW THAT PROVIDES GREATER LEAVE THAN PROVIDED UNDER THIS PART 4.

(b) AFTER THE EFFECTIVE DATE OF THIS PART 4, AN EMPLOYER POLICY ADOPTED OR RETAINED MUST NOT DIMINISH AN EMPLOYEE'S RIGHT TO BENEFITS UNDER THIS PART 4. ANY AGREEMENT BY AN EMPLOYEE TO WAIVE THE EMPLOYEE'S RIGHTS UNDER THIS PART 4 IS VOID AS AGAINST PUBLIC POLICY.

(3) THE DIRECTOR SHALL DETERMINE BY RULE THE INTERACTION OF BENEFITS UNDER THIS PART 4 WITH: (a) SECTION 24-34-402.7; AND

(b) WORKERS' COMPENSATION BENEFITS UNDER ARTICLE 42 OF TITLE 8.

**8-13.3-411. Notice.** THE DIVISION SHALL DEVELOP A PROGRAM NOTICE THAT DETAILS THE PROGRAM REQUIREMENTS, BENEFITS, CLAIMS PROCESS, PAYROLL DEDUCTION REQUIREMENTS, THE RIGHT TO JOB PROTECTION AND BENEFITS CONTINUATION UNDER SECTION 8-13.3-409, PROTECTION AGAINST RETALIATION AND INTERFERENCE, AND OTHER PERTINENT PROGRAM INFORMATION. EACH EMPLOYER SHALL POST THE PROGRAM NOTICE IN A PROMINENT LOCATION IN THE WORKPLACE AND NOTIFY ITS EMPLOYEES OF THE PROGRAM, IN WRITING, UPON HIRING AND UPON LEARNING OF AN EMPLOYEE EXPERIENCING AN EVENT THAT TRIGGERS ELIGIBILITY PURSUANT TO SECTION 8-13.3-404. THE DIVISION SHALL PROVIDE THE INFORMATION REQUIRED BY THIS SUBSECTION IN A MANNER THAT IS CULTURALLY COMPETENT AND LINGUISTICALLY APPROPRIATE.

**8-13.3-412. Appeals.** (1) THE DIRECTOR SHALL ESTABLISH A SYSTEM FOR ADMINISTRATIVE REVIEW AND DETERMINATION OF CLAIMS, AND APPEAL OF SUCH DETERMINATIONS, INCLUDING DENIAL OF FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS. IN ESTABLISHING SUCH SYSTEM, THE DIRECTOR MAY UTILIZE ANY AND ALL PROCEDURES AND APPEALS MECHANISMS ESTABLISHED UNDER SECTIONS 8-74-102, 8-74-103, AND 8-4-111.5 (5).

(2) JUDICIAL REVIEW OF ANY DECISION WITH RESPECT TO FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS UNDER THIS SECTION IS PERMITTED IN A COURT OF COMPETENT JURISDICTION AFTER A COVERED INDIVIDUAL AGGRIEVED THEREBY HAS EXHAUSTED ALL ADMINISTRATIVE REMEDIES ESTABLISHED BY THE DIRECTOR. IF A COVERED INDIVIDUAL FILES A CIVIL ACTION IN A COURT OF COMPETENT JURISDICTION TO ENFORCE A JUDGMENT MADE UNDER THIS SECTION, ANY FILING FEE UNDER ARTICLE 32 OF TITLE 13 SHALL BE WAIVED.

**8-13.3-413. Erroneous payments and disqualification for benefits.** (1) A COVERED INDIVIDUAL IS DISQUALIFIED FROM FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS FOR ONE YEAR IF THE INDIVIDUAL IS DETERMINED BY THE DIRECTOR TO HAVE WILLFULLY MADE A FALSE STATEMENT OR MISREPRESENTATION REGARDING A MATERIAL FACT, OR WILLFULLY FAILED TO REPORT A MATERIAL FACT, TO OBTAIN BENEFITS UNDER THIS PART 4.

(2) IF FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS ARE PAID ERRONEOUSLY OR AS A RESULT OF WILLFUL MISREPRESENTATION, OR IF A CLAIM FOR FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS IS REJECTED AFTER BENEFITS ARE PAID, THE DIVISION MAY SEEK REPAYMENT OF BENEFITS FROM THE RECIPIENT. THE DIRECTOR SHALL EXERCISE HIS OR HER DISCRETION TO WAIVE, IN WHOLE OR IN PART, THE AMOUNT OF ANY SUCH PAYMENTS WHERE THE RECOVERY WOULD BE AGAINST EQUITY AND GOOD CONSCIENCE.

**8-13.3-414. Elective coverage.** (1) A SELF-EMPLOYED PERSON, INCLUDING AN INDEPENDENT CONTRACTOR, SOLE PROPRIETOR, PARTNER OR JOINT VENTURER, MAY ELECT COVERAGE UNDER THIS PART 4 FOR AN INITIAL PERIOD OF NOT LESS THAN THREE YEARS. THE SELF-EMPLOYED PERSON MUST FILE A NOTICE OF ELECTION IN WRITING WITH THE DIRECTOR, AS REQUIRED BY THE DIVISION. THE ELECTION BECOMES EFFECTIVE ON THE DATE OF FILING THE NOTICE. AS A CONDITION OF ELECTION, THE SELF-EMPLOYED PERSON MUST AGREE TO SUPPLY ANY INFORMATION CONCERNING INCOME THAT THE DIVISION DEEMS NECESSARY.

(2) A SELF-EMPLOYED PERSON WHO HAS ELECTED COVERAGE MAY WITHDRAW FROM COVERAGE WITHIN 30 DAYS AFTER THE END OF THE THREE-YEAR PERIOD OF COVERAGE, OR AT SUCH OTHER

TIMES AS THE DIRECTOR MAY PRESCRIBE BY RULE, BY FILING WRITTEN NOTICE WITH THE DIRECTOR, SUCH WITHDRAWAL TO TAKE EFFECT NOT SOONER THAN 30 DAYS AFTER FILING THE NOTICE.

**8-13.3-415. Reimbursement of advance payments.** IF AN EMPLOYER HAS MADE ADVANCE PAYMENTS OF BENEFITS TO AN EMPLOYEE THAT ARE EQUAL TO OR GREATER THAN THE AMOUNT REQUIRED UNDER THIS PART 4, DURING ANY PERIOD OF PAID FAMILY AND MEDICAL LEAVE FOR WHICH SUCH EMPLOYEE IS ENTITLED TO THE BENEFITS PROVIDED BY THIS PART 4, THE EMPLOYER IS ENTITLED TO BE REIMBURSED BY THE FUND OUT OF ANY BENEFITS DUE OR TO BECOME DUE FOR THE EXISTING PAID FAMILY AND MEDICAL LEAVE, IF THE CLAIM FOR REIMBURSEMENT IS FILED WITH THE FUND PRIOR TO THE FUND'S PAYMENT OF THE BENEFITS TO THE EMPLOYEE.

**8-13.3-416. Family and medical leave insurance program.** (1) BY JANUARY 1, 2023, THE DIVISION SHALL ESTABLISH AND ADMINISTER A FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM AND BEGIN COLLECTING CONTRIBUTIONS AS SPECIFIED IN THIS PART 4. BY JANUARY 1, 2024, THE DIVISION SHALL START RECEIVING CLAIMS FROM AND PAYING FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS TO COVERED INDIVIDUALS.

(2) THE DIVISION SHALL ESTABLISH REASONABLE PROCEDURES AND FORMS FOR FILING CLAIMS FOR BENEFITS UNDER THIS PART 4 AND SHALL SPECIFY WHAT SUPPORTING DOCUMENTATION IS NECESSARY TO SUPPORT A CLAIM FOR BENEFITS, INCLUDING ANY DOCUMENTATION REQUIRED FROM A HEALTH CARE PROVIDER FOR PROOF OF A SERIOUS HEALTH CONDITION AND ANY DOCUMENTATION REQUIRED BY THE DIVISION WITH REGARDS TO A CLAIM FOR SAFE LEAVE.

(3) THE DIVISION SHALL NOTIFY THE EMPLOYER WITHIN FIVE BUSINESS DAYS OF A CLAIM BEING FILED PURSUANT TO THIS PART 4.

(4) THE DIVISION SHALL USE INFORMATION SHARING AND INTEGRATION TECHNOLOGY TO FACILITATE THE DISCLOSURE OF RELEVANT INFORMATION OR RECORDS SO LONG AS AN INDIVIDUAL CONSENTS TO THE DISCLOSURE AS REQUIRED UNDER STATE LAW.

(5) INFORMATION CONTAINED IN THE FILES AND RECORDS PERTAINING TO AN INDIVIDUAL UNDER THIS PART 4 ARE CONFIDENTIAL AND NOT OPEN TO PUBLIC INSPECTION, OTHER THAN TO PUBLIC EMPLOYEES IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES. HOWEVER, THE INDIVIDUAL OR AN AUTHORIZED REPRESENTATIVE OF AN INDIVIDUAL MAY REVIEW THE RECORDS OR RECEIVE SPECIFIC INFORMATION FROM THE RECORDS UPON THE PRESENTATION OF THE INDIVIDUAL'S SIGNED AUTHORIZATION.

(6) THE DIRECTOR SHALL ADOPT RULES AS NECESSARY OR AS SPECIFIED IN THIS PART 4 TO IMPLEMENT AND ADMINISTER THIS PART 4. THE DIRECTOR SHALL ADOPT RULES INCLUDING, BUT NOT LIMITED TO:

(a) CONFIDENTIALITY OF INFORMATION RELATED TO CLAIMS FILED OR APPEALS TAKEN;

(b) GUIDANCE ON THE FACTORS USED TO DETERMINE WHETHER AN INDIVIDUAL IS A COVERED INDIVIDUAL'S FAMILY MEMBER;

(c) THE FORM AND MANNER OF FILING CLAIMS FOR BENEFITS AND PROVIDING RELATED DOCUMENTATION PURSUANT TO SECTION 8-13.3-416(2); AND

(d) THE FORM AND MANNER OF SUBMITTING AN APPLICATION WITH A CLAIM FOR BENEFITS TO THE DIVISION.

**8-13.3-417. Income Tax.** (1) IF THE INTERNAL REVENUE SERVICE DETERMINES THAT FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS UNDER THIS PART 4 ARE SUBJECT TO FEDERAL INCOME TAX, THE DIVISION SHALL INFORM AN INDIVIDUAL FILING A NEW CLAIM FOR FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS, AT THE TIME OF FILING SUCH CLAIM, THAT:

(a) THE INTERNAL REVENUE SERVICE HAS DETERMINED THAT BENEFITS ARE SUBJECT TO FEDERAL INCOME TAX; AND

(b) REQUIREMENTS EXIST PERTAINING TO ESTIMATED TAX PAYMENTS.

(2) BENEFITS RECEIVED PURSUANT TO THIS PART 4 ARE NOT SUBJECT TO STATE INCOME TAX.

(3) THE DIRECTOR, IN CONSULTATION WITH THE DEPARTMENT OF REVENUE, SHALL ISSUE RULES REGARDING TAX TREATMENT AND RELATED PROCEDURES REGARDING FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS, AS WELL AS THE SHARING OF NECESSARY INFORMATION BETWEEN THE DIVISION AND THE DEPARTMENT OF REVENUE.

**8-13.3-418. Family and medical leave insurance account fund – establishment and investment.** (1) THERE IS HEREBY CREATED IN THE STATE TREASURY THE FAMILY AND MEDICAL LEAVE INSURANCE FUND. THE FUND CONSISTS OF PREMIUMS PAID PURSUANT TO SECTION 8-13.3-407 AND REVENUES FROM REVENUE BONDS ISSUED IN ACCORDANCE WITH SECTION 8-13.3-408(2)(d). MONEY IN THE FUND MAY BE USED ONLY TO PAY REVENUE BONDS; TO REIMBURSE EMPLOYERS WHO PAY FAMILY AND MEDICAL LEAVE INSURANCE BENEFITS DIRECTLY TO EMPLOYEES IN ACCORDANCE WITH SECTION 8-13.3-415; AND TO PAY BENEFITS UNDER, AND TO ADMINISTER, THE PROGRAM PURSUANT TO THIS PART 4, INCLUDING TECHNOLOGY COSTS TO ADMINISTER THE PROGRAM AND OUTREACH SERVICES DEVELOPED UNDER SECTION 8-13.3-420. INTEREST EARNED ON THE INVESTMENT OF MONEY IN THE FUND REMAINS IN THE FUND. ANY MONEY REMAINING IN THE FUND AT THE END OF A FISCAL YEAR REMAINS IN THE FUND AND DOES NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND. STATE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE DIVISION FOR THE PURPOSE OF THIS SECTION. THE GENERAL ASSEMBLY SHALL NOT APPROPRIATE MONEY FROM THE FUND FOR THE GENERAL EXPENSES OF THE STATE.

(2) THE DIVISION MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, AND DONATIONS, INCLUDING PROGRAM-RELATED INVESTMENTS AND COMMUNITY REINVESTMENT FUNDS, TO FINANCE THE COSTS OF ESTABLISHING AND IMPLEMENTING THE PROGRAM.

**8-13.3-419. Reports.** BEGINNING JANUARY 1, 2025, THE DIVISION SHALL SUBMIT A REPORT TO THE LEGISLATURE BY APRIL 1 OF EACH YEAR THAT INCLUDES, BUT IS NOT LIMITED TO, PROJECTED AND ACTUAL PROGRAM PARTICIPATION BY SECTION 8-13.3-404(2) PURPOSE, GENDER OF BENEFICIARY, AVERAGE WEEKLY WAGE OF BENEFICIARY, OTHER DEMOGRAPHICS OF BENEFICIARY AS DETERMINED BY THE DIVISION, PREMIUM RATES, FUND BALANCES, OUTREACH EFFORTS, AND, FOR LEAVES TAKEN UNDER SECTION 8-13.3-404(2)(b), FAMILY MEMBERS FOR WHOM LEAVE WAS TAKEN TO PROVIDE CARE.

**8-13.3-420. Public education.** BY JULY 1, 2022, AND FOR AS LONG AS THE PROGRAM CONTINUES, THE DIVISION SHALL DEVELOP AND IMPLEMENT OUTREACH SERVICES TO EDUCATE THE PUBLIC ABOUT THE FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM AND AVAILABILITY OF PAID FAMILY AND MEDICAL LEAVE AND BENEFITS UNDER THIS PART 4 FOR COVERED INDIVIDUALS. THE DIVISION SHALL PROVIDE THE INFORMATION REQUIRED BY THIS SECTION IN A MANNER THAT IS CULTURALLY COMPETENT AND LINGUISTICALLY APPROPRIATE. THE DIVISION MAY, ON ITS OWN OR

THROUGH A CONTRACT WITH AN OUTSIDE VENDOR, USE A PORTION OF THE MONEY IN THE FUND TO DEVELOP, IMPLEMENT, AND ADMINISTER OUTREACH SERVICES.

**8-13.3-421. Severability.** IF ANY PROVISION OF THIS PART 4 OR ITS APPLICATION TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE REMAINDER OF PART 4 OR THE APPLICATION OF THE PROVISION TO OTHER PERSONS OR CIRCUMSTANCES IS NOT AFFECTED.

**8-13.3-422. Effective date.** (1) THIS PART 4 TAKES EFFECT UPON OFFICIAL DECLARATION OF THE GOVERNOR AND IS SELF-EXECUTING.

(2) INITIAL RULES AND REGULATIONS NECESSARY FOR IMPLEMENTATION OF THIS STATUTE SHALL BE PROMULGATED BY JANUARY 1, 2022.

