



State of the States Paid Family Leave (PFL) Overview

March 2020

For Broker and Employer use only.

ReliaStar Life Insurance Company and
ReliaStar Life Insurance Company of New York,
a member of the Voya® family of companies

PLAN | INVEST | PROTECT

VOYA
FINANCIAL

State of the States

State-Mandated Disability Insurance and Paid Family Leave Overview

The purpose of our State of the States report is to provide you with a convenient overview of recent enacted legislation to state-specific short-term disability (STD), paid family leave (PFL) and paid family and medical leave (PFML) programs. As the laws change across the U.S, you can stay up to date with our reader-friendly summary that allows you to identify new legislation by state quickly.

Several states provide or require employers to provide short-term disability insurance. These short-term disability programs provide partial pay replacement to workers who are ill, unable, or injured. Though similar, the rules on eligibility for these programs and how they operate vary significantly between states.

Paid Family Leave (PFL) legislation has grown in popularity, and states continue to propose, fund, and launch their own programs. Each jurisdiction's plan eases employees' financial burden when they need to take time from work to act as a caregiver, but the pressure is on for employers to keep on top of the rapidly changing landscape of laws. Every jurisdiction has adopted plans that vary in terms of length of leave, amount of payment, and funding mechanism.

Additionally, some states have chosen to combine their state-mandated short-term disability with a PFL program to create a Paid Family and Medical Leave (PFML) program.

Resources

California:

http://www.edd.ca.gov/disability/FAQ_PFL_Eligibility.htm

<https://sfgov.org/olse/paid-parental-leave-ordinance>

Connecticut:

(S.B. 1 § 18(c), 2019 Leg., Reg. Sess. (Conn. 2019) (enacted))

<https://paidfamilyleavect.org/>

District of Columbia:

<https://dcpaidfamilyleave.dc.gov/>

Hawaii:

<http://hawaii.gov/labor/dcd/abouttdi.shtml>

Massachusetts:

<https://www.mass.gov/orgs/department-of-family-and-medical-leave>

New Jersey:

<https://myleavebenefits.nj.gov/labor/myleavebenefits/worker/tdi/>

New York:

<http://www.wcb.ny.gov/>

<https://paidfamilyleave.ny.gov/>

Oregon:

<http://www.oregon.gov/EMPLOY/PFMLI/Pages/default.aspx>

Rhode Island:

www.dlt.state.ri.us

www.dlt.ri.gov/tdi

Washington:

<https://esd.wa.gov/paid-family-medical-leave>

This document is not legal advice and is not intended to be, or replace, the advice of legal counsel. Indeed, we encourage you to discuss this information with your attorneys as necessary.



California

State Disability Insurance (SDI) and PFL



Covered Employer: Employers of one or more employees with a quarterly payroll of \$100.00 or more. Employers of domestic employees with a quarterly payroll of \$750.00.



Employee Eligibility Requirements: Employee must have been paid \$300 in wages during the base period.



Reason for Leave:

- SDI: Eligible employees who are unable to do their regular or customary work for at least eight consecutive days.
- PFL: Eligible employees who take time off to care for a seriously ill child, spouse, parent, grandparent, grandchild, sibling, or domestic partner. Benefits are also available to bond with a new child entering an employee's life by birth, adoption, or foster care placement.



Benefit Duration:

- SDI: The maximum duration of the benefit period is 52 weeks.
- PFL: 6 weeks in a 12-month period. Beginning July 1, 2020, the PFL maximum duration will increase to 8 weeks of benefits in a 12-month period.



Benefit Amount: The weekly benefit amount for both SDI and PFL is 60 to 70 percent (depending on income) of wages earned, up to the maximum weekly benefit amount. Weekly benefits range from a minimum of \$50 to a maximum of \$1,300.



Funding Mechanism: The state-administered plan is funded by employee contributions taken as deductions from an employee's paycheck. The 2020 tax rate is 1% of the annual taxable wage base (\$122,909) per employee. The maximum annual employee contribution is \$1,229.09.



Private Plan Option: An employer can opt-out of the state plan by providing a private plan that provides all the benefits of the state plan and exceeds the State Plan benefit in at least one provision. To be approved for a voluntary plan, the employer must post a security deposit to guarantee that it meets all obligations of the voluntary plan deposit to guarantee that it meets all obligations of the voluntary plan.

Note about San Francisco: The San Francisco Paid Parental Leave Ordinance requires employers to pay "supplemental compensation" for the full period that a covered employee receives Paid Family Leave to bond with a child. When this period increases from 6 weeks to 8 weeks in July, all covered San Francisco based employers will be required to extend their Paid Parental Leave compensation from 6 to 8 weeks as well.

IMPORTANT DATES

February 15, 2020: Employers with voluntary plans must submit form DE 2568V "Annual Report of Self-Insured Voluntary Plan Transactions" to the California Employment Development Department.

April 15, 2020: Employers with approved voluntary plans must submit form DE 2544SRW "Security Review Worksheet" to the California Employment Development Department.

July 1, 2020: Paid leave entitlement increases from 6 weeks to 8 weeks. Note about voluntary plans: Employers who choose to provide these benefits to employees through a voluntary plan must update their existing policies and administration to ensure compliance by 2020 for the entitlement increase.

December 2020: The withholding rate and taxable wage limit for 2021 is released.

January 1, 2021: CA PFL will expand by adding qualifying exigencies related to the covered active duty or call to covered active duty of an employee's family member in the U.S. Armed Forces as a covered leave reason. As mentioned above, this bill also affects employers with a voluntary policy and requires compliance with this new leave reason by 2021.



Connecticut

PFML Overview



Covered Employer: All private sector employers employing one or more employees in the state of Connecticut.



Employee Eligibility Requirements: Eligible employees must have earned at least \$2,325 from one or more employers during the highest-earning quarter of the base period and have been employed by an employer in the previous 12 weeks.



Reason for Leave: Connecticut's PFML benefits provide paid family and/or medical leave in any twelve-month period to care for a seriously ill family member, caring for a child following birth, adoption or foster care, or to deal with and employee's own illness.



Benefit Duration: Eligible employees will be entitled to up to 12 weeks of paid family and/or medical leave in any twelve-month period. An additional two weeks of paid leave is available if medical leave is needed for pregnancy-related disability for a combined annual maximum of 14 weeks.



Benefit Amount: Eligible employees can receive up to 95% of their base weekly earnings, up to a weekly maximum of 60 times the state minimum wage.



Funding Mechanism: The leave program will be funded through a payroll tax of 0.5% of taxable wages, up to the Social Security maximum.



Private Plan Option: Employers can apply for a private plan exemption if they have a plan that confers the same rights, protections and benefits provided to the employees under the state program and does not cost employees more than the premium charged through the state program. Employers with self-insured plans must post a bond with the state. If the employer's private plan is fully insured, the policy must be approved by the State's Insurance Commissioner.



IMPORTANT DATES

January 1, 2021: Payroll tax begin.

January 1, 2022: Deadline for program regulations to be created.

January 1, 2022: Eligible employees can begin to apply for benefits.

July 1, 2022: Written notice of the program must be provided to each employee.

November 1, 2022: Contribution rate announced for following year and annually thereafter.



District of Columbia

PFML Overview



Covered Employer: All private sector employers with one or more employees in Washington, D.C.



Employee Eligibility Requirements: Employees are eligible if they work for a covered employer and spend more than 50% of their work time for that employer in D.C.; or whose employment for the covered employer is based in the District and who regularly spends a substantial amount of their work time for that covered employer in the District and not more than 50% of his or her work in another jurisdiction.



Reason for Leave: Eligible employees will be entitled to paid leave for the birth or placement of a child into the household, to care for a family member with a serious health condition, or for an employee's own serious health condition.



Benefit Duration:

- An employee is entitled to up to 8 weeks of paid leave to bond with a new child;
- 6 weeks of paid leave to care for a family member with a serious health condition;
- 2 weeks of paid leave to care for their own serious health condition.

An employee may not take more than 8 weeks total of paid family leave in a 52-week period



Benefit Amount: Weekly benefit amounts will be determined on a sliding scale based on the employee's income, up to 90% of weekly pay with a current cap of \$1,000 per week, which will increase over time.



Funding Mechanism: The program is employer funded through a 0.62% payroll tax on covered worker wages.



Private Plan Option: There is no private option for the program. The PFML program is administered by the Office of Paid Family Leave (OPFL) within the Department of Employment Services (DOES). Eligible employees will apply for PFML benefits, receive their eligibility determinations, and benefit awards from OPFL.

IMPORTANT DATES

January 1, 2020: Employers must post paid leave notice at their worksites (the Office of Paid Family Leave will provide a paid leave notice to the employer community).

July 1, 2020: The District will begin administering paid leave benefits to eligible workers.

October 1, 2021: Maximum weekly benefit amount announced for the following year and annually thereafter.

October 1, 2021: Wage reports and paid family leave contributions for wages paid to covered employees from July 1 through September 30 are due.

October 1, 2021: Wage reports and paid family leave contributions for wages paid to covered employees from October 1 through December 31 due.



Hawaii

Temporary Disability Insurance (TDI) Overview



Covered Employer: Employers who have one or more employees and employers of domestic employees with a quarterly payroll of \$225.00 or more.



Employee Eligibility Requirements: An employee must have 14 weeks of covered employment during which time he was paid for 20 hours or more and earned at least \$400.00 in the first 52 weeks prior to the day of disability. The 14 weeks need not be consecutive nor with only one employer.



Reason for Leave: Employees who are ill and/or injured and unable to work for at least eight consecutive days.



Benefit Duration: The maximum benefit available is 26 weeks.



Benefit Amount: Weekly benefit amounts 58% of average weekly earnings. Weekly benefits range from \$14.00 to a maximum of \$650 per week.



Funding Mechanism: An employer may withhold TDI contributions of .5 the premium cost but not more than 0.5% of an employee's weekly wage, which cannot exceed \$5.60.



Private Plan Option: Hawaii does not administer a State Plan, but requires a minimum Temporary Disability Insurance (TDI) Plan, which may be insured, self-insured, or an approved collective bargaining agreement that provides sick leave & disability benefits.



IMPORTANT DATES

December 2020: The withholding rate and taxable wage limit for 2021 is released.



Massachusetts

PFML Overview



Covered Employer: All Massachusetts private sector employees with one or more employees in the Commonwealth of Massachusetts.



Benefit Amount: Benefit amounts vary depending on the employee's average weekly wage. The 2021 maximum weekly benefit is \$850 a week.



Employee Eligibility Requirements: Eligible employees must have approximately 15 weeks or more of earnings and earned at least \$4,700 in the previous 12 months.



Funding Mechanism: The program will be funded by premiums paid by employees and employers. For 2020, the Massachusetts PFML contribution rate is 0.75% of an employee's wages (employees pay 40% of the medical leave premium and 100% of the family leave premium) up to the Social Security wage base. Contributions to the program will be managed through the Department of Family and Medical Leave (DFML).



Reason for Leave: Eligible employees are entitled to paid leave to deal with their own serious medical condition, to care for a family member with a serious health condition, to bond with a newly born or newly adopted/placed child, to care for a covered service member, or for qualifying military exigency.



Private Plan Option: Employers are able to apply for a private plan exemption if their plan provides benefits that are greater than or equal to the benefits provided by the state PFML program and does not cost covered employees more than they would be required to contribute to the state plan. Private plan applications are accepted on a rolling basis, but applications must be approved in the quarter prior to the quarter in which they go into effect. Employers with an approved self-insured plan are also required to post a surety bond.



Benefit Duration:

- Employees may take up 20 weeks of paid medical leave
- 12 weeks of paid family, bonding and exigency leave, and
- Up to 26 weeks of paid leave to care for a covered service member.

An employee may not take more than 26 weeks of combined leave in a benefit year.

IMPORTANT DATES

January 31, 2020: Employers without an approved private plan must remit premium payments to Commonwealth.

January 1, 2021: Eligible employees may begin to apply for benefits.

January 1, 2022: Contribution rate announced for following year and annually thereafter.



New Jersey

Temporary Disability Insurance (TDI) and Family Care Leave Insurance (FLI)



Covered Employer: All private sector employers subject to the New Jersey Unemployment Compensation law.



Employee Eligibility Requirements: Employees must work 20 calendar weeks and have earned a minimum of \$200.00 weekly, or have earned a combined total of \$10,000 in the period consisting of the first four of the last five completed quarters preceding the first day of disability.



Reason for Leave:

- TDI: Eligible employees are entitled to paid leave when they are unable to work due to illness, injury, or other disability. To qualify, the illness/injury cannot have been caused by their job.
- FLI: Eligible employees are entitled to family leave to care for a newly born or newly placed child and to care for family member with a serious health condition. Family care leave can also be used to care for eligible family members who are victims of domestic and sexual violence.



Benefit Duration:

- TDI: 26 weeks or the period necessary for benefits to equal 1/3 of total wages in base year, whichever is the lesser.
- FLI: 6 consecutive weeks or 42 intermittent days during a 12-month period beginning with the first date of the claim.
 - Beginning July 1, 2020, 12 consecutive weeks or 56 intermittent days during a 12-month period beginning with the first date of the claim.

- FLI used to care for a family member who is a victim of domestic or sexual violence: 20 days per year.

An employee may not take more than 26 weeks of combined leave in a benefit year.



Benefit Amount:

- FTDI and FLI: 66 2/3% of average weekly wage. The maximum weekly benefit amount of \$667.

Beginning July 1, 2020, the average weekly benefit amount increases to 85% of the weekly wage for a maximum weekly benefit amount of \$881. There is no minimum weekly benefit amount.



Funding Mechanism: The program is funded by premiums paid by employees and employers.

- TDI: The maximum employee contribution rate is .26% of the annual taxable wage base of \$134,900 with the maximum annual contribution rate of \$350.74.
- FLI: The maximum employee contribution rate is .16% of the annual taxable wage base of \$134,900 with the maximum annual contribution rate of \$215.84.



Private Plan Option: Employers can choose a state administered, an insured plan, or a self-insured plan, which must at least equal the provisions of the State Plan.

IMPORTANT DATES

July 1, 2020: Leave entitlement increases from 6 weeks to 12 weeks of paid family leave in a 12-month period and when family leave is used intermittently, an employee will be able to use up to 56 days per leave year, an increase of 14 days from the current 42 days.

July 1, 2020: The amount of the weekly benefit will increase to 85% of employees' AWW. The current maximum benefit of \$650 per week will rise to an estimated \$860 per week.



New York

Disability Benefits Law (DBL) and PFL



Covered Employer: Employers who have one or more employees in New York.



Employee Eligibility Requirements:

- DBL: Employees who work 4 consecutive weeks of covered employment are eligible for benefits.
- PFL: employee must have been employed by a covered employer for 26 or more consecutive weeks (or 175 days of employment for part-time employees).



Reason for Leave:

- DBL: employee who cannot work due to an illness that was not caused by their job or a disability from a non-occupational injury.
- PFL: Paid family leave to bond with a newly born or newly placed child, to care for family member with serious health condition, or for a qualifying exigency arising out of spouse, domestic partner, child or parent being on active duty (or having been notified of an impending call or order to active duty).



Benefit Duration:

- DBL: 26 weeks within 52-week period.
- PFL: Eligible employees are entitled to 10 weeks of paid family leave.

The maximum length for DBL & PFL benefits combined cannot exceed 26 weeks in a consecutive 52-week period



Benefit Amount:

- DBL: 50% of an employee's average weekly wage base on the previous 8 weeks of earnings. Eligible employees will receive at least \$20.00 per week and no more than \$170.00 per week.
- PFL: 60 percent of a worker's average weekly wage (AWW), not to exceed 60 percent of the state average weekly wage of \$1,401.17. The maximum weekly benefit for 2020 is \$840.70.



Funding Mechanism: DBL and PFL are funded through employee wage deductions.

- DBL: .5% of weekly taxable wage base of \$120.00, not to exceed \$0.60 per week.
- PFL: The maximum contribution rate for PFL is 0.27% of the employee's gross annualized wages capped at the New York State Average Weekly Wage (\$1,401.17 for 2020). The 2020 maximum annual contribution per employee for PFL is \$196.72.



Private Plan Option:

- DBL: An employer can self-insure, insure the benefits through the NY State Insurance Fund (NYSIF), or insure the benefits through a private insurance carrier
- PFL: An employer can purchase PFL coverage from a private insurer or through NYSIF. An employer can self-insure PFL if they are currently self-insured for DBL.

IMPORTANT DATES

July 1, 2020: Leave entitlement increases from 6 weeks to 12 weeks of paid family leave in a 12-month period and when family leave is used intermittently, an employee will be able to use up to 56 days per leave year, an increase of 14 days from the current 42 days.

July 1, 2020: The amount of the weekly benefit will increase to 85% of employees' AWW. The current maximum benefit of \$650 per week will rise to an estimated \$860 per week.



Oregon

PFML Overview



Covered Employer: All private sector employers with one or more employees in the state of Oregon.



Employee Eligibility Requirements: During the base year or alternative base year, eligible employee must have earned at least \$1,000 in wages and paid into the Paid Family and Medical Leave Insurance Fund.



Reason for Leave: Eligible employees in Oregon are entitled paid leave for to care for and bond with a child during the first year after birth, or placement through foster care or adoption, and to care for a family member with a serious health condition, for bereavement, or for spousal deployment purposes Oregon Family Medical Leave (OFLA).



Benefit Duration: Eligible employees in Oregon are entitled to 12 weeks of paid leave and may use up to 16 weeks in a benefit year for any combination of PFML and unpaid leave under OFLA. Women with pregnancy related medical conditions may take two extra weeks for a total of 18 weeks.



Benefit Amount: The total amount of benefits an employee recovers will depend on the employee's wages. An employee's weekly benefit amount is capped at 120% of state average weekly wage (approximately \$1,254) with a floor of 5% (approximately \$50). Employees who earn less than 65% of the state average weekly wage (approximately \$679) will receive 100% of their average weekly wage. Employees who earn more than 65% of the state average weekly wage will receive 65% of the state average weekly wage plus 50% of the amount by which the employee's average weekly wage exceeds the state average weekly wage.



Funding Mechanism: The cost of the program is shared by employers and eligible employees. Each contribute a percentage established by the Employment Department Director, not to exceed 1% of the employee's wages, up to a maximum of \$132,900 of wages (\$1,329 contribution per year). Employers with 25 employees or more will contribute 40% of that premium, and will collect 60% (of that 1%) through a payroll deduction from employee wages. Employers with fewer than 25 employees are not required to contribute the employer 40% (though are "encouraged" to do so). The Employment Department Director will adjust the maximum amount annually. 25 employees are not required to contribute the employer 40% (though are "encouraged" to do so). The Employment Department Director will adjust the maximum amount annually.



Private Plan Option: Employers may apply to have an approved Private Plan to replace the State Plan. The private plan must be equivalent to the states' Program.

IMPORTANT DATES

September 1, 2021: The Employment Department will issue rules governing administration of the program.

January 1, 2022: Employee payroll contributions begin. Employers must provide written notice to employees of their rights under the Program.

January 1, 2023: Eligible employees may begin to apply for benefits.

January 1, 2025: Employees may sue employers for violating the program (potential damages include back pay, compensatory damages, and punitive damages).



Rhode Island

Temporary Disability Insurance (TDI) and Temporary Caregiver Insurance (TCI)



Covered Employer: All private sector employers with one or more employees in the state of Rhode Island.



Employee Eligibility Requirements: Employee must have been paid wages in Rhode Island and paid into the TDI/TCI fund and must have been paid at least \$12,600 in the base period. Alternately, employees qualify if they earned at least \$2,100 in a quarter of their base period, their total base period taxable wages were at least 150 percent of their highest quarter of earnings, and their taxable wages during their base period are \$4,200 or more.



Reason for Leave:

- TDI: Eligible employees are entitled to TDI when they have been unable to work for at least 7 days due to a non-job related illness or injury.
- TCI: Eligible employees are entitled to family leave to bond with newly born or newly placed child, or to care for family member with serious health condition.



Benefit Duration:

- TDI: 30 weeks in any benefit year.
- TCI: 4 weeks in any benefit year.



Benefit Amount: The average weekly benefit rate is 4.62 percent of wages paid during the highest quarter of worker's base period. The minimum weekly benefit is \$98 and the maximum is \$867 per week. The benefit increases if the employee has dependents. The Maximum dependents allowance is the greater of \$10 per dependent or 7% of the Weekly Benefit Rate (up to five dependents) and the maximum weekly benefit with up to five dependents is \$1,170.



Funding Mechanism: TDI and TCI benefits are funded through employee contributions. The current withholding rate is 1.3 percent of worker's first \$72,300 in wages. The maximum annual Employee Contribution is \$939.90.



Private Plan Option: There is no private plan option in Rhode Island. The Rhode Island Department of Labor and Training administers paid family leave. Eligible employees will apply for benefits, receive their eligibility determinations, and benefit awards from the state of Rhode Island.



IMPORTANT DATES

July 1, 2020: Annual updates to rates announced.



Washington

PFML Overview



Covered Employer: All private sector employers with one or more employees in the state of Washington.



Employee Eligibility Requirements: Must have worked for at least 820 hours in four out of the five quarters prior to leave application.



Reason for Leave: Eligible employees are entitled to paid leave for their own serious health condition, bonding with newly born or placed child, to care for family member with serious health condition, or for a qualifying exigency arising out of family member being on active duty (or having been notified of an impending call or order to active duty).



Benefit Duration: Eligible employees are entitled to 12 weeks of paid leave to be used for either their own medical condition or for family care. An employee may take an additional two weeks of leave if leave is needed because of incapacity due to pregnancy-related condition, for up total of 14 weeks of medical leave. An employee cannot take more than 16 weeks of combined leave for their own serious health condition and family leave (18 if leave is needed due to pregnancy-related incapacitation) of paid leave a year.



Benefit Amount: For workers paid 50 percent or less of the statewide average weekly wage (AWW), the weekly benefit rate is 90 percent of the worker's AWW. For workers paid more than 50 percent of the statewide AWW, the weekly benefit rate is 90 percent of the employee's AWW up to 50 percent of the statewide AWW. The maximum weekly benefit is \$1,000 in the program's first year, and will be adjusted annually to an amount equaling 90 percent of the state AWW.



Funding Mechanism: For the program's first year, the total premium rate is 0.4 percent of the worker's first \$132,900 in wages. The medical leave premium is 2/3 of that rate and the family leave premium is 1/3. The employee is responsible for all of the family leave premium. For each following year, the premium rate is adjusted annually based on the solvency of the fund. For each following year, the premium rate is adjusted annually based on the solvency of the fund.



Private Plan Option: Employers are able to apply for a private plan exemption if their plan provides benefits that are greater than or equal to the benefits provided by the state PFML program. The state must approve all voluntary plans. A plan's effective date will be the first day of the quarter following state approval.

IMPORTANT DATES

January 1, 2020: Eligible employees may begin to apply for benefits. **October 31, 2020:** Q3 Reports due.

April 30, 2020: Q1 Reports and premiums due. **January 31, 2020:** Q4 Reports due.

July 31, 2020: Q2 Reports due.

For broker and employer use only.

This document is not legal advice and is not intended to be, or replace, the advice of legal counsel. Indeed, we encourage you to discuss this information with your attorneys as necessary.

State of the States: Paid Family Leave (PFL) Overview is prepared by Disability RMS.

Voya Leave Management is provided by Disability RMS.

Insurance is issued by ReliaStar Life Insurance Company (Minneapolis, MN) and ReliaStar Life Insurance Company of New York (Woodbury, NY). Within the State of New York, only ReliaStar Life Insurance Company of New York is admitted, and its products issued. Both are members of the Voya® family of companies. Voya Employee Benefits is a division of both companies. Product availability and specific provisions may vary by state.

©2020 Voya Services Company. All rights reserved. WLT250002908. 1078849

211146-03012020