SB 23-046

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 23-0215	**Date:**	January 16, 2023
Prime Sponsors:	Sen. Winter F. Rep. Duran	**Bill Status:**	Senate Business
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Bill Topic: **AVERAGE WEEKLY WAGE PAID LEAVE BENEFITS**

Summary of Fiscal Impact:

☐ State Revenue
☒ State Expenditure
☐ State Transfer
☐ TABOR Refund
☐ Local Government
☐ Statutory Public Entity

The bill modifies the calculation of family and medical leave benefits by calculating the benefit amount on all jobs worked in the base period instead of only the jobs from which the employee is taking leave. It will minimally increase state expenditures beginning in FY 2023-24.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill requires the Division of Family and Medical Leave Insurance (FAMLI) in the Colorado Department of Labor and Employment (CDLE) to calculate a covered individual's weekly benefit amount based on the individual's average weekly wage from all jobs worked in the base period, instead of only the jobs from which the individual is taking leave.

Background

In calendar year 2023, employers and employees start paying premiums into the voter-approved Family and Medical Leave Insurance Program (Proposition 118) Beginning in calendar year 2024, when the program is fully implemented, employees can begin receiving up to $1,100 each week for up to 12 weeks while taking leave. The amount of benefits an eligible employee can receive is based on the individual's average weekly wage compared to the state average weekly wage, which is set annually by the CDLE. Under current law, the average weekly wage is calculated using the wage amount earned from the job or jobs from which the covered individual is taking leave.

State Expenditures

On net, the bill is expected to minimally increase expenditures and workload for the FAMLI Program in the CDLE. By using prior jobs in the base period to calculate leave benefit amounts, the bill will change the benefits paid by the FAMLI Program to some employees who change jobs. In cases where an employee's prior jobs paid a higher amount, average weekly wage and benefits paid will increase. In cases where an employee's previous jobs paid less, average weekly wage and benefits paid will decrease. Given that employers and employees are paying the required contributions into the FAMLI Program throughout all covered employment, it is assumed that this change will not significantly impact the amount of benefits paid from, or solvency of, the FAMLI Fund. The CDLE will have a small increase in workload to implement the bill. No change in appropriations is required.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties	Higher Education	Information Technology
Judicial	Labor	Law
Municipalities	Personnel	Secretary of State
Treasury		