First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 25-0602.01 Renee Leone x2695

SENATE BILL 25-144

SENATE SPONSORSHIP

Winter F. and Bridges,

HOUSE SPONSORSHIP

Willford and Zokaie,

Senate Committees Business, Labor, & Technology

House Committees

Business, Labor, & Technology Appropriations

A BILL FOR AN ACT

101 CONCERNING CHANGES TO THE "PAID FAMILY AND MEDICAL LEAVE 102 INSURANCE ACT".

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

With regard to the family and medical leave insurance program (program), **section 1** of the bill extends the duration of paid family and medical leave, up to an additional 12 weeks, for a parent who has a child receiving inpatient care in a neonatal intensive care unit.

Section 2 changes the premiums financing the payment of program benefits by extending the current premium amount, 0.9% of wages per

employee, through 2025 and setting the premium amount for the 2026 calendar year at 0.88% of wages per employee. For each subsequent calendar year, the director of the division of family and medical leave insurance (director) in the department of labor and employment is required set the premium on or before November 1 of the preceding year. The director is required to set the premium in a manner such that:

- At the end of the year, the balance of the family and medical leave insurance fund (fund) is not less than 6 months' worth of projected expenditures from the fund required for performance of the functions and duties of the director;
- The volatility of the premium rate is minimized; and
- The premium amount does not exceed 1.2% of wages per employee.

Be it enacted by the General Assembly of the State of Colorado:

2 **SECTION 1.** In Colorado Revised Statutes, 8-13.3-505, amend

3 (1) as follows:

8-13.3-505. Duration. (1) The maximum number of weeks for which a covered individual may take paid family and medical leave and

for which family and medical leave insurance benefits are payable for any

purpose, or purposes in aggregate, under section 8-13.3-504 (2) in an

8 application year is 12 TWELVE weeks; except that benefits are payable up

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(a) An additional four weeks to a covered individual with a serious health condition related to pregnancy complications or childbirth complications; OR

(b) AN ADDITIONAL TWELVE WEEKS TO A COVERED INDIVIDUAL WHO IS A PARENT WHO HAS A CHILD RECEIVING INPATIENT CARE IN A NEONATAL INTENSIVE CARE UNIT.

SECTION 2. In Colorado Revised Statutes, 8-13.3-507, amend
(3) as follows:

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8-13.3-507. Premiums - rules. (3) (a) From January 1, 2023, through December 31, 2024 2025, the premium amount is nine-tenths of one percent of wages per employee.

(b) For the 2025 calendar year, and each calendar year thereafter,

- (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 FROM JANUARY 1, 2026, THROUGH DECEMBER 31, 2026, THE PREMIUM AMOUNT IS EIGHTY-EIGHT HUNDREDTHS OF ONE PERCENT OF WAGES PER EMPLOYEE.
- (c) For the 2027 Calendar year and for each calendar year thereafter, on or before <u>September</u> 1 of the preceding year, the director shall adopt by rule the premium rate for the following calendar year. The director shall set the rate in a manner such that:
- (I) At the end of the calendar year during which the premium rate is effective, the balance of the fund is an amount not less than six months' worth of projected expenditures from the fund required for the performance of the functions and duties of the director;
 - (II) THE VOLATILITY OF THE PREMIUM RATE IS MINIMIZED; AND
- (III) The premium shall AMOUNT DOES not exceed one and two tenths of a percent of wages per employee.

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(d) The division shall provide public notice in advance of January first 1 of any changes to the premium.

SECTION 3. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to paid family and medical leave claimed on or after the applicable effective date of this act.

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