# First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

# **REREVISED**

This Version Includes All Amendments Adopted in the Second House

LLS NO. 25-0674.01 Brita Darling x2241

**SENATE BILL 25-271** 

#### SENATE SPONSORSHIP

Ball and Rich,

### **HOUSE SPONSORSHIP**

Espenoza and Luck, Carter, Keltie

**Senate Committees** 

Business, Labor, & Technology

#### **House Committees**

State, Civic, Military, & Veterans Affairs

#### A BILL FOR AN ACT

101	CONCERNING THE REPEAL OF PART 3 OF ARTICLE 13.3 OF TITLE 8,
102	COLORADO REVISED STATUTES, CONTAINING OBSOLETE
103	PROVISIONS RELATING TO THE STUDY OF A PAID FAMILY AND
104	MEDICAL LEAVE PROGRAM.

## **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 <a href="http://leg.colorado.gov/">http://leg.colorado.gov/</a>.)

**Statutory Revision Committee.** Senate Bill 19-188 created a family and medical leave task force and required the department of labor and employment to analyze various aspects of the administration of a

HOUSE 3rd Reading Unamended April 30, 2025

> HOUSE d Reading Unamended April 29, 2025

SENATE 3rd Reading Unamended April 14, 2025

SENATE 2nd Reading Unamended April 11, 2025 family and medical leave program (program) and to contract for an actuarial study of a proposed program. The actuarial study was completed in 2019 and the task force completed its final report on January 8, 2020. Therefore, the bill repeals these obsolete statutory provisions contained in part 3 of article 13.3 of title 8, Colorado Revised Statutes.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, repeal part 3 of
3	article 13.3 of title 8 as follows:
4	8-13.3-301. Legislative declaration. (1) The general assembly
5	hereby finds and declares that:
6	(a) Colorado is a family-friendly state, and providing the workers
7	of Colorado with family and medical leave insurance will encourage an
8	entrepreneurial atmosphere and economic growth and promote a healthy
9	business climate;
10	(b) The United States is the only industrialized nation in the world
11	that does not mandate access to paid leave benefits. Simultaneously,
12	nearly half of Americans live paycheck to paycheck and are unable to
13	access two thousand dollars in the event of an emergency.
14	(c) This part 3 prepares for the implementation of a paid family
15	and medical leave program in the state by completing a thorough analysis
16	of paid family and medical leave programs by experts in the field, the
17	establishment of a family and medical leave implementation task force,
18	and actuarial and third-party studies;
19	(d) As specified in this part 3:
20	(I) The timeline for the analysis and implementation of a statewide
21	paid family and medical leave program is as follows:
22	(A) By July 1, 2019, appointing authorities are required to make
23	their appointments to the task force;

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(B) By October 1, 2019, the department is required to provide the
task force with the results of a third-party study and paid family and
medical leave plan recommendations from the experts in the field, and the
task force is required to accept and consider public comment regarding
the administration and establishment of a paid family and medical leave
<del>program;</del>
(C) By November 1, 2019, the task force shall make its initial
recommendation on a family and medical leave program for employees
in the state and provide the recommendation to an actuary contracted by
the department;
(D) By December 1, 2019, an independent actuarial analysis must
be completed and submitted to the task force;
(E) By January 8, 2020, the task force shall report its final
recommendation on a paid family and medical leave program for all
employees in the state;
(II) The timeline may also be assumed as follows:
(A) By July 1, 2020, the family and medical leave program will
be established;
(B) By January 1, 2022, the public education and outreach
campaign will begin;
(C) By January 1, 2023, the family and medical leave program
funding will begin; and
(D) By January 1, 2024, the family and medical leave program
will start paying benefits;
(e) The intent of this part 3 is to assist in the preparation of
legislation in the 2020 legislative session establishing a paid family and
medical leave program in the state.

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I	8-13.3-302. Definitions. As used in this part 3, unless the context
2	otherwise requires:
3	(1) "Department" means the department of labor and employment.
4	(2) "Executive director" means the executive director of the
5	<del>department.</del>
6	(3) "Task force" means the family and medical leave
7	implementation task force created in section 8-13.3-304 (1).
8	8-13.3-303. Department to perform analyses. (1) (a) The
9	department shall analyze the feasibility of contracting with a third party
10	to administer parts of a paid family and medical leave program for all
11	employees in the state as an alternative to state administration of all
12	aspects of such a program. In determining whether a third party should
13	administer parts of a paid family and medical leave program, the
14	department shall consider whether doing so would be cost-effective, in
15	the short term and in the long term for both the state and covered
16	individuals, and lead to more efficient program administration and benefit
17	management while assuring quality, worker experience, affordability,
18	coverage, and program accountability, as compared to if the state
19	administers all aspects of the program.
20	(b) In fulfilling the requirements of this subsection (1), the
21	department shall make a request for information from third parties that
22	may be willing to administer single or multiple parts of a paid family and
23	medical leave program. The requests for information pursuant to this
24	subsection (1)(b) must solicit information from third parties that includes,
25	but is not limited to, the third party's:
26	(I) Prior experience with paid family and medical leave insurance
27	or providing monetary benefits in Colorado related to employees taking

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1	leave from work due to serious health conditions, parental bonding, or
2	other family and medical leave purposes;
3	(II) Commitment to affirmative action, diversity, equity, and
4	inclusion policies;
5	(HI) Language access experience and cultural competency; and
6	(IV) Current or expected employee pay rates and benefits.
7	(c) Any study pursuant to this section must consider:
8	(I) The estimated difference in administrative costs charged by
9	third parties as compared to a state-run paid family and medical leave
10	<del>program;</del>
11	(II) The estimated difference in claims processing speeds;
12	(III) The state's costs to oversee any third-party administration,
13	including costs to conduct annual audits and review regular reports from
14	the third party;
15	(IV) The ability of a third party to satisfy necessary worker
16	privacy and confidentiality requirements;
17	(V) The ability of a third party to access existing state data or to
18	effectively interface with the department's systems and information;
19	(VI) The potential costs and challenges associated with
20	terminating a third-party contract due to quality or compliance concerns
21	following implementation of the program, as well as the feasibility of
22	timely substituting administration by the state or a different third party
23	without a disruption in benefits and administration; and
24	(VII) A timeline that presumes a paid family and medical leave
25	program that is established by July 1, 2020; begins public education and
26	outreach on January 1, 2022; establishes the funding stream on January
2.7	1. 2023; and starts paying benefits on January 1, 2024.

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1	(a) The department's study must specifically address the effect of
2	using a third-party administrator on the following aspects of a paid family
3	and medical leave program:
4	(I) Claims appeals and administrative enforcement;
5	(II) Premium rate setting and collection of premiums;
6	(III) Approval and oversight of private plans, if applicable; and
7	(IV) Management of elective coverage of employees who may not
8	be included in the program.
9	(2) (a) (I) The department shall contract with at least three experts
10	in the field of paid family and medical leave selected by the task force.
11	The experts must be local and national experts:
12	(A) With demonstrated experience studying the health, economic,
13	and social benefits of access to paid leave; the cost and economic impact
14	of paid leave; and the drafting and implementation of paid family and
15	medical leave programs at the state level; and
16	(B) Who have some familiarity with cross-state comparisons.
17	(II) The department shall commission a report from the experts
18	under contract with the department pursuant to this subsection (2)(a) on
19	the establishment of a paid family and medical leave program for
20	employees in the state. The recommendations must specify the parameters
21	that ensure that a program:
22	(A) Is affordable for the lowest-wage workers;
23	(B) Is equitable across workers of all incomes and classifications;
24	(C) Is accessible particularly to workers least likely to have access
25	to paid leave today;
26	(D) Is adequate; and
27	(E) Includes a minimum duration of leave that meets

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1	evidence-based standards and wage replacement that is sufficient to allow
2	the lowest-wage workers to participate.
3	(b) The recommendations must review, evaluate, and assess at
4	least the following elements, without limitation:
5	(I) The purposes of the leave, including serious illness, caring for
6	a loved one with a serious illness, bonding with a new child, and needs
7	arising from military deployment and the effects of domestic violence,
8	stalking, and sexual assault;
9	(II) Self-employed workers' access to paid family and medical
10	leave and a mechanism to allow self-employed workers to participate;
11	(III) Eligibility to take leave;
12	(IV) The definition of family or family member for whom an
13	individual may take leave for purposes of providing care;
14	(V) Job protection and other employment protections, including
15	their effect on an individual's ability to take leave;
16	(VI) The duration of leave;
17	(VII) The amount of the wage replacement;
18	(VIII) The maximum weekly wage replacement amount;
19	(IX) The program funding structure;
20	(X) Program implementation;
21	(XI) The role of third-party vendors on program sustainability;
22	(XII) The solvency of a paid family and medical leave fund under
23	various models;
24	(XIII) The portability of paid family and medical leave benefits;
25	(XIV) The sustainability of a paid family and medical leave
26	<del>program;</del>
27	(XV) How a paid family and medical leave program would

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1	interact with other benefits; and
2	(XVI) A timeline that presumes a paid family and medical leave
3	program that is established by July 1, 2020; begins education and
4	outreach on January 1, 2022; establishes the funding stream on January
5	1, 2023; and starts paying benefits on January 1, 2024.
6	(3) No later than October 1, 2019:
7	(a) The department shall provide the task force created in section
8	8-13.3-304 with:
9	(I) The results of the third-party study conducted pursuant to
10	subsection (1) of this section; and
11	(II) The paid family and medical leave plan report from experts
12	commissioned in accordance with subsection (2) of this section; and
13	(b) The department of public health and environment shall provide
14	the task force with a report detailing the health benefits related to paid
15	family and medical leave.
16	(4) The department shall contract for the services of a qualified
17	private actuary to perform an actuarial study of the initial
18	recommendation for a family and medical leave program created by the
19	task force pursuant to section 8-13.3-304 (8)(b). The actuarial study shall
20	be provided to the task force no later than December 1, 2019.
21	8-13.3-304. Family and medical leave implementation task
22	force. (1) There is hereby created in the department the family and
23	medical leave implementation task force.
24	(2) The task force consists of the following members:
25	(a) Three members who are workers or represent an organization
26	that represents workers' interests in paid family and medical leave, each
27	of whom shall be appointed from a list of at least three names submitted

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	by a recognized state wide organization that promotes workers rights,
2	(b) Three members who are private employers with a range of
3	business size and experience in providing employees with paid family and
4	medical leave, each of whom shall be appointed from a list of at least
5	three names submitted by a recognized statewide organization of
6	employers;
7	(c) One member who is a representative of a state policy
8	organization that works on issues of economic opportunity;
9	(d) One member who is a private insurer with experience in
10	administering temporary disability or family and medical leave insurance
11	benefits;
12	(e) One member who represents a state policy organization that
13	works on health advocacy;
14	(f) One labor economist with demonstrated research or expertise
15	in studying paid family and medical leave and labor standards, and the
16	data necessary to do so;
17	(g) One member who is a representative of a statewide domestic
18	violence organization;
19	(h) One member who is a professional from a recognized
20	institution of higher education and who has expertise in studying paid
21	family and medical leave;
22	(i) One member who is a representative of organized labor; and
23	(j) Two nonvoting members, one of whom must represent the
24	<del>department.</del>
25	(3) The members of the task force are appointed as follows:
26	(a) The governor shall appoint one member;
27	(b) The speaker of the house of representatives shall appoint four

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1	members;
2	(c) The president of the senate shall appoint four members;
3	(d) The house minority leader shall appoint two members;
4	(e) The senate minority leader shall appoint two members;
5	(f) The executive director shall appoint one nonvoting member;
6	and
7	(g) The executive director of the department of personnel shall
8	appoint one nonvoting member.
9	(4) (a) The appointing authorities shall make the appointments to
10	the task force no later than July 1, 2019.
11	(b) In making the appointments, the appointing authorities shall
12	ensure that the appointments reflect communities of color, rural
13	communities, and historically underutilized businesses, as defined in
14	section 24-49.5-105 (4).
15	(c) The department shall assist and coordinate the appointing
16	authorities to ensure that members appointed to the task force pursuant to
17	subsection (3) of this section meet the membership requirements specified
18	in subsection (2) of this section.
19	(5) Each member of the task force serves at the pleasure of the
20	appointing authority.
21	(6) Each member of the task force serves without compensation
22	but is entitled to receive reimbursement for actual and necessary expenses
23	the member incurs in the performance of the member's duties as a
24	member of the task force.
25	(7) (a) The member appointed by the executive director shall call
26	the first meeting of the task force.
27	(b) The task force shall elect a chair from among its voting

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2	(8) (a) No later than September 1, 2019, the task force shall accept
3	and consider public comment regarding the administration and
4	establishment of a paid family and medical leave program in the state.
5	The task force shall receive public comment for a minimum of thirty
6	<del>days.</del>
7	(b) No later than November 1, 2019, the task force shall make an
8	initial recommendation on a family and medical leave program for
9	employees in the state and provide the recommendation to the actuary
10	contracted by the department pursuant to section 8-13.3-303 (4). In
11	making the recommendation, the task force shall consider the information
12	it receives pursuant to section 8-13.3-303 (3).
13	(c) No later than January 8, 2020, after consideration of the
14	actuarial analysis performed on the task force's initial recommendation,
15	the task force shall report its final recommendation on a paid family and
16	medical leave program for all employees in the state, along with the
17	third-party administration study made pursuant to section 8-13.3-303 (1),
18	and the actuarial study made pursuant to section 8-13.3-303 (4) to:
19	(I) The senate committees on finance and business, labor, and
20	technology, or their successor committees;
21	(II) The house of representatives committees on finance and
22	business affairs and labor, or their successor committees; and
23	(III) The governor.
24	(d) Recommendations made by the task force pursuant to this
25	subsection (8) should attempt to meet a timeline that presumes a paid
26	family and medical leave program that is established by July 1, 2020;
27	begins education and outreach on January 1, 2022; establishes the funding

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(9) Upon request by the task force, the department shall provide office space, equipment, and staff services as may be necessary to implement this section.

8-13.3-305. Paid family and medical leave program implementation authorization. The department shall not implement the recommended plan for a paid family and medical leave program unless the general assembly, acting by bill, directs the department to implement the program. If the department is directed to implement the plan, it shall begin implementation by a date specified by the general assembly acting by bill.

**SECTION 2.** Act subject to petition - effective date. 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.

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