

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1386 Session of
2007

INTRODUCED BY GIBBONS, DERMODY, BELFANTI, BISHOP, COHEN,
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YOUNGBLOOD AND HARKINS, MAY 29, 2007

REFERRED TO COMMITTEE ON LABOR RELATIONS, MAY 29, 2007

AN ACT

1 Providing for family temporary care insurance; providing for the
2 powers and duties of the Department of Labor and Industry;
3 and establishing the Temporary Care Fund.

4 The General Assembly finds and declares as follows:

5 (1) It is in the public interest to provide family
6 temporary care insurance benefits to employees to care for
7 their family members. The need for family temporary care
8 insurance benefits has intensified as the number of
9 households with both parents employed has increased, and the
10 number of single parent employees in the work force has
11 grown. The need for partial wage replacement for employees
12 taking family care leave will be exacerbated as the
13 population of those needing care, both children and parents
14 of employees, increases in relation to the number of working
15 age adults.

16 (2) Developing programs that help families adapt to the
17 competing interests of work and home not only benefits

1 employees but also benefits employers by increasing employee
2 productivity and reducing employee turnover.

3 (3) The Family and Medical Leave Act of 1993 (Public Law
4 103-3, 29 U.S.C. § 2601 et seq.) entitles eligible employees
5 working for covered employers to take unpaid, job-protected
6 leave for up to 12 workweeks in a 12-month period. Under the
7 act, unpaid leave may be taken for the birth, adoption or
8 foster placement of a new child; to care for a seriously ill
9 child, parent or spouse; or for the employee's own serious
10 health condition.

11 (4) The majority of employees in this Commonwealth are
12 unable to take family care leave because they are unable to
13 afford leave without pay. When employees do not receive some
14 form of wage replacement during family care leave, families
15 suffer from the employee's loss of income, increasing the
16 demand on the Commonwealth's unemployment compensation
17 program and dependence on the Commonwealth's public
18 assistance and other benefit programs.

19 (5) It is the intent of the General Assembly to create a
20 family temporary care insurance program to help reconcile the
21 demands of work and family. The family temporary care
22 insurance program shall be an independent component of the
23 Commonwealth's unemployment compensation program and shall be
24 funded through employee and employer contributions. Initial
25 and ongoing administrative costs associated with the family
26 temporary care insurance program shall be payable from the
27 Temporary Care Fund.

28 The General Assembly of the Commonwealth of Pennsylvania
29 hereby enacts as follows:

30 Section 1. Short title.

1 This act shall be known and may be cited as the Family
2 Temporary Care Act.

3 Section 2. Definitions.

4 The following words and phrases when used in this act shall
5 have the meanings given to them in this section unless the
6 context clearly indicates otherwise:

7 "Child." An individual who is biological, adopted or foster
8 son or daughter, a stepson or stepdaughter, a legal ward or a
9 son or daughter of an employee who stands in loco parentis to
10 that individual.

11 "Department." The Department of Labor and Industry of the
12 Commonwealth.

13 "Employee." As defined in the act of December 5, 1936 (2nd
14 Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment
15 Compensation Law.

16 "Employer." As defined in the act of December 5, 1936 (2nd
17 Sp.Sess., 1937 P.L.2897, No.1), known as the Unemployment
18 Compensation Law.

19 "Family care leave." Any of the following:

20 (1) Leave for reason of the birth of a child of the
21 employee, the placement of a child with an employee in
22 connection with the adoption or foster care of the child by
23 the employee or the serious health condition of a child of
24 the employee.

25 (2) Leave to care for a parent or spouse who has a
26 serious health condition.

27 "Family member." A child, parent or spouse.

28 "Fund." The Temporary Care Fund established under section 9.

29 "Parent." A biological, foster or adoptive parent, a
30 stepparent, a legal guardian or other person who stood in loco

1 parentis to an employee when the employee was a child.

2 "Secretary." The Secretary of Labor and Industry of the
3 Commonwealth.

4 "Serious health condition." An illness, injury, impairment
5 or physical or mental condition that involves inpatient care in
6 a hospital, hospice or residential health care facility or
7 continuing treatment or continuing supervision by a health care
8 provider.

9 Section 3. Family temporary care insurance program.

10 (a) Establishment.--There is hereby established, within the
11 Commonwealth unemployment compensation program, a family
12 temporary care insurance program to provide up to 12 weeks of
13 wage replacement benefits to eligible employees who take time
14 off work to care for a seriously ill child, spouse or parent or
15 to bond with a new child.

16 (b) Weekly benefit.--An individual's weekly benefit shall be
17 the amount provided for unemployment compensation benefits under
18 the act of December 5, 1936 (2nd Sp.Sess., 1937 P.L.2897, No.1),
19 known as the Unemployment Compensation Law.

20 (c) Maximum benefit.--The maximum amount payable, within a
21 12-month period, to an individual during any temporary care
22 benefit period for family temporary care insurance shall be 12
23 times the individual's weekly benefit, but in no case shall the
24 total be more than the total wages paid to the individual during
25 the individual's temporary care base period. If the benefit is
26 not a multiple of one dollar, it shall be computed to the next
27 highest multiple of one dollar.

28 (d) Maximum time.--No more than 12 weeks of family temporary
29 care insurance benefits shall be paid within any 12-month
30 period.

1 Section 4. Eligibility.

2 (a) General rule.--An employee shall be deemed eligible for
3 family temporary care insurance benefits on any day in which the
4 employee is unable to perform the employee's regular or
5 customary work because the employee is caring for a new child
6 during the first year after the birth or placement of the child
7 or caring for a seriously ill child, parent or spouse subject to
8 a waiting period of seven consecutive workdays during each
9 family temporary care benefit period during which no benefits
10 are payable within that period.

11 (b) Unemployment compensation.--An employee is not eligible
12 for family temporary care insurance benefits with respect to any
13 day that the employee has received unemployment compensation
14 benefits under the act of December 5, 1936 (2nd Sp.Sess., 1937
15 P.L.2897, No.1), known as the Unemployment Compensation Law, or
16 under an unemployment compensation act of any other state or of
17 the Federal Government.

18 (c) Other family members.--An employee is not eligible for
19 family temporary care insurance benefits based upon a serious
20 health condition of a child, parent or spouse with respect to
21 any day that another family member is able and available to
22 provide care for the same period of time that the employee
23 provides the required care.

24 (d) Federal law.--An employee who is entitled to leave under
25 the Family and Medical Leave Act of 1993 (Public Law 103-3, 29
26 U.S.C. § 2601 et seq.) must take family temporary care insurance
27 leave concurrent with leave taken under the Family and Medical
28 Leave Act.

29 (e) Conditions.--

30 (1) As a condition of an employee's initial receipt of

1 family temporary care insurance benefits during any 12-month
2 period in which the employee is eligible for these benefits,
3 the employer may require the employee to take up to two weeks
4 of earned but unused vacation leave prior to the employee's
5 initial receipt of these benefits.

6 (2) If the employer so requires the employee to take
7 vacation leave, that portion of the vacation leave that does
8 not exceed one workweek shall be applied to the waiting
9 period required under subsection (a).

10 (3) This subsection shall not be construed to relieve an
11 employer of any duty under a collective bargaining agreement
12 that the employer may have with respect to the subject matter
13 of this subsection.

14 Section 5. Regulations.

15 The department shall promulgate regulations to administer
16 this act and eligible employees shall receive benefits in
17 accordance with the regulations.

18 Section 6. False certification.

19 If the secretary finds that any person falsely certifies the
20 medical condition of an employee in order to obtain family
21 temporary care insurance benefits with the intent to defraud,
22 whether for the maker of the certification or for any other
23 person, the secretary shall assess a penalty against the person
24 in the amount of 25% of the benefits paid as a result of the
25 false certification, in addition to requiring repayment of all
26 benefits falsely paid.

27 Section 7. No abridgment of rights.

28 Nothing in this act shall be construed to abridge any rights
29 and responsibilities conveyed by any other act. The benefits
30 provided under this act are in addition to any such rights and

1 responsibilities.

2 Section 8. Publication of contribution rate.

3 The secretary shall determine, on an annual basis, the amount
4 of money necessary to provide benefits under this act and a
5 uniform employee/employer contribution rate to be paid by all
6 employees and employers subject to this act. The secretary shall
7 publish the contribution rate annually in the Pennsylvania
8 Bulletin. The rate shall become effective upon publication.

9 Section 9. Temporary Care Fund.

10 The Temporary Care Fund is established in the State Treasury.
11 All contributions and penalties collected under this act,
12 together with any appropriations that may be provided, shall be
13 deposited in the fund to provide payment of benefits under this
14 act.

15 Section 10. Applicability.

16 This act shall apply to periods of family temporary care
17 leave commencing on or after July 1, 2008.

18 Section 11. Effective date.

19 This act shall take effect January 1, 2008, or immediately,
20 whichever is later.