MISSISSIPPI LEGISLATURE

By: Senator(s) Turner-Ford

REGULAR SESSION 2023

To: Labor; Accountability, Efficiency, Transparency

SENATE BILL NO. 2292

AN ACT TO ESTABLISH THE MISSISSIPPI PAID FAMILY LEAVE ACT TO BE ADMINISTERED BY THE MISSISSIPPI DEPARTMENT OF EMPLOYMENT SECURITY; TO PROVIDE DEFINITIONS; TO PROVIDE ENTITLEMENT REQUIREMENTS AND CONDITIONS FOR PAID LEAVE; TO AUTHORIZE INTERMITTENT OR REDUCED LEAVE; TO PROVIDE THAT THIS ACT IS TO BE CONSTRUED WITH SIMILAR PROVISIONS IN THE FEDERAL FAMILY AND MEDICAL LEAVE ACT; AND FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 **SECTION 1.** This act shall be known and may be cited as the

10 "Mississippi Paid Family Leave Act."

11 <u>SECTION 2.</u> Definitions. Unless the context clearly requires 12 otherwise, the definitions in this section apply throughout this 13 act:

(a) "Alternative base period" means the last four (4)
completed calendar quarters immediately preceding the first day of
an individual's application year.

(b) "Application year" means the twelve-month period beginning on the first day of the calendar week in which an individual files an application for family leave insurance benefits. (c) "Average weekly wage" means one-thirteenth (1/13)
of the wages paid during the quarter of the covered individual's
base period or alternative base period in which the total wages
were highest.

(d) "Base period" means the first four (4) of the last five (5) completed calendar quarters immediately preceding the first day of an individual's application year; provided that if the first quarter of the last five (5) completed calendar quarters was included in the base period applicable to any individual's previous application year, the individual's base period shall be the last four (4) completed calendar quarters.

(e) "Child" means, regardless of age, a biological,
adopted or foster child, stepchild or legal ward, a child of a
domestic partner, a child to whom the covered individual stands in
loco parentis, or a person to whom the covered individual stood in
loco parentis when the person was a minor.

37 "Covered individual" means a person who: (f) Satisfies the following earnings requirements: 38 (i) 39 Has earned not less than twenty-six (26) 1. 40 times the minimum weekly benefit amount pursuant to Section 41 71-5-503 from work in the state during the person's base period or 42 alternative base period; and 2. Has earned not less than forty (40) times 43

44 the person's weekly benefit amount pursuant to Section 71-5-503 45 from work in the state during that quarter of the person's base

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48 (ii) Meets the administrative requirements 49 outlined in this chapter and in other law and rules; and (iii) 50 Submits an application. 51 (q) "Department" means the Department of Employment 52 Security. "Director" means the director of the Department of 53 (h) 54 Employment Security. 55 "Employee" means an individual employed by an (i) 56 employer within this state. 57 "Employer" has the same meaning as defined in the (i) 58 federal Fair Labor Standards Act of 1938 (29 USC Section 203(d)). 59 "Family and medical leave insurance benefits" means (k) the benefits provided under this chapter. 60 "Family member" means: 61 (1) 62 (i) A child; 63 (ii) A biological, adoptive or foster parent, 64 stepparent, or legal guardian of a covered individual or a covered

65 individual's spouse or domestic partner or a person who stood in 66 loco parentis when the covered individual or the covered 67 individual's spouse or domestic partner was a minor child; 68 (iii) A person to whom the covered individual is 69 legally married under the laws of a state or jurisdiction of the

70 United States;

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(iv) A grandparent or step-grandparent of the covered individual or the covered individual's spouse or the domestic partner;

74 (v) A grandchild or step-grandchild of the covered 75 individual or the covered individual's spouse or domestic partner; 76 (vi) A biological, foster, or adopted sibling or 77 the spouse or domestic partner of the sibling;

78 (vii) A domestic partner registered as such under79 the laws of a state or political subdivision; or

80 (viii) Any other individual related by blood or 81 whose close association with the covered individual is the 82 equivalent of a family relationship.

(m) "Health care provider" means any person licensed under Federal law, any state law or the laws of another country wherein the person practices to provide medical or emergency services, including, but not limited to, doctors, nurses and emergency room personnel, clinical social workers, licensed professional counselors, or certified midwives.

89 (n) "Paid family and medical leave" means leave taken 90 from employment, self-employment, or availability for employment 91 in connection with family and medical leave insurance benefits 92 under this chapter.

93 (o) "Qualifying exigency leave" means leave for the 94 family member of a service member for a need arising out of a 95 covered individual's family member's active duty service or notice

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96 of an impending call or order to active duty in the United States armed forces, including, but not limited to: 97 Providing for the care or other needs of the 98 (i) service member's child or other family member; 99 100 (ii) Making financial or legal arrangements for 101 the service member; 102 (iii) Attending counseling; 103 (iv) Attending military events or ceremonies; 104 Spending time with the service member during (V) 105 rest and recuperation leave; 106 (vi) Spending time with the service member 107 following a return from deployment; or 108 Making arrangements following the death of (vii) 109 the service member. "Serious health condition" has the same meaning as 110 (g) 111 defined in the federal Family and Medical Leave Act of 1993 (29 112 USC 2611(11)). "State average weekly wage" has the same meaning as 113 (q) 114 the term "average weekly wage for the state", as referenced in Section 71-3-3. 115 116 SECTION 3. Administration. The Mississippi Department of 117 Employment Security shall administer and implement the provisions 118 of this act. 119 SECTION 4. Entitlement to paid leave. (1) Beginning on January 1, 2026, a covered individual has the right to take paid 120 ~ OFFICIAL ~

121 family and medical leave and to receive family and medical leave 122 insurance benefits pursuant to this chapter if the individual 123 meets one (1) of the following requirements:

(a) Because of birth, adoption, or placement through
foster care, is caring for a new child within the first year of
the anticipated birth, adoption, or placement;

127 (b) Is caring for a family member with a serious health128 condition;

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(c) Has a serious health condition; or

(d) Because of any qualifying exigency leave arising
out of the deployment of a family member of the covered
individual.

133 (2) Benefits are payable to an individual who is not 134 currently employed and has been separated from employment for not 135 more than twenty-six (26) weeks at the start of the individual's 136 paid family and medical leave, but who is a covered individual 137 meeting one (1) of the requirements listed in subsection (1) of 138 this section.

(3) 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 in an application year is twelve (12) weeks.

143 <u>SECTION 5.</u> Amount of family and medical leave insurance 144 **benefits.** (1) The amount of family and medical leave insurance 145 benefits is determined as follows:

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(a) The weekly benefit is ninety percent (90%) of a covered individual's average weekly wage; provided, however, that if a covered individual's average weekly wage is less than Thirty Dollars (\$30.00), then the weekly benefit must be Thirty Dollars (\$30.00)

(b) The maximum weekly benefit is the state average weekly wage, except that for paid family and medical leave beginning before January 1, 2027, the maximum weekly benefit is One Thousand Dollars (\$1,000.00).

(2) Family and medical leave insurance benefits are not
payable until the covered individual accumulates at least one (1)
day or eight (8) consecutive hours of family and medical leave.

158 SECTION 6. Creation of the family and medical leave

159 There is created in the State Treasury the insurance fund. (1)Family and Medical Leave Insurance Fund, referred to in this 160 161 section as the "fund." Monies in the fund may be used only to 162 pay family and medical leave insurance benefits under this chapter 163 and to administer the family and medical leave insurance program 164 pursuant to this act. Only the director may authorize 165 expenditures from the fund.

166 (2) Whenever, in the judgment of the State Treasurer, there 167 shall be in the Family and Medical Leave Insurance Fund an amount 168 of funds in excess of that amount deemed by the State Treasurer to 169 be sufficient to meet the current expenditures properly payable 170 therefrom, the State Treasurer shall have full power to invest,

S. B. No. 2292 **~ OFFICIAL ~** 23/SS26/R510 PAGE 7 (ab\tb) 171 reinvest, manage, contract, sell or exchange investments acquired 172 with such excess funds in the manner prescribed by Section 173 27-105-33. Interest earned on the investment of monies in the 174 fund, and monies remaining in the fund at the end of a fiscal 175 year, remain in the fund and do not revert to the General Fund or 176 any other fund.

177 <u>SECTION 7.</u> Premiums. (1) The State Treasurer is 178 responsible for determining the amount of premiums necessary to 179 finance the Family and Medical Leave Insurance Program annually, 180 no later than October 1, for the coming calendar year. Beginning 181 on October 1, 2024, the State Treasurer shall set the premium as 182 percentage of employee wages based on sound actuarial principles.

183 (2) Beginning on January 1, 2025, an employee must pay
184 premiums in an amount determined by the State Treasurer under
185 subsection (1) of this section.

186 (3) An employer shall collect the premium amount from each
187 employee and shall remit the premium amount to the State
188 Treasurer, who shall transfer the premiums to the State Treasury
189 for deposit in the fund.

190 <u>SECTION 8.</u> Employment protection. (1) Any covered 191 individual who exercises the individual's right to family and 192 medical leave shall, upon the expiration of that leave, be 193 entitled to be restored by their employer to the position held by 194 the covered individual when the leave commenced, or to a position 195 with equivalent seniority, status, employment benefits, pay, and

other terms and conditions of employment, including fringe benefits and service credits that the covered individual was entitled to at the commencement of leave.

199 (2)During leave taken pursuant to this act, the employer 200 shall maintain any health care benefits the covered individual had 201 prior to taking such leave for the duration of the leave as if the 202 covered individual remained in employment continuously from the 203 date the individual commenced the leave until the date the 204 individual returns from paid family and medical leave. However, 205 the covered individual shall continue to pay the covered individual's share of the cost of health care benefits as required 206 207 prior to the commencement of the leave.

208 <u>SECTION 9.</u> Prohibited acts. (1) It is unlawful for an 209 employer or another person to interfere with, restrain, or deny 210 the exercise of, or the attempt to exercise, any right protected 211 under this chapter.

(2) An employer, temporary help company, employment agency,
employee organization, or other person shall not discharge, expel,
demote, or otherwise discriminate or take adverse employment
action against a person because the person:

(a) Files, applies for or uses benefits provided forunder this chapter;

(b) Takes leave from work under this act;
(c) Intends to file a claim, a complaint or an appeal
in relation to this act;

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(d) Testifies, is about to testify or assists in a proceeding under this chapter at any time, including the period in which the person receives family and medical leave insurance benefits under this act; or

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(e) Exercises other rights under this act.

(3) It is unlawful for an employer's absence control policy
to count paid family and medical leave taken under this chapter as
an absence that may lead to or result in discipline, discharge,
demotion, suspension, or other adverse actions.

(4) The protections provided pursuant to this Section apply
to a person who mistakenly but in good faith alleges a violation
of this act.

233 <u>SECTION 10.</u> Enforcement. (1) Any employer that violates 234 Section 7 or 8 of this act shall be held liable for damages and 235 such equitable relief as provided under 29 USC Section 2617(a), 236 including that an action to recover such damages or equitable 237 relief may be maintained against any employer that violates 238 Section 7 or 8 of this act in the manner prescribed in 29 USC 239 Section 2617(a).

(2) It shall be the duty of the director to administer this chapter. The director shall have the power and authority to adopt, amend or rescind such rules and regulations and to employ such persons, make such expenditures, require such reports, make such investigations, and take such other action as deemed necessary or suitable to that end, and such rules and regulations

S. B. No. 2292 **~ OFFICIAL ~** 23/SS26/R510 PAGE 10 (ab\tb) 246 shall be effective upon publication in the manner, not

247 inconsistent with this act, which the director shall prescribe.

248 <u>SECTION 11.</u> Coordination of benefits. (1) (a) Leave taken 249 with family and medical leave insurance benefits under this 250 chapter that also qualifies as leave under the federal Family and 251 Medical Leave Act of 1993 (FMLA) (29 USC Section 2601 et seq.) 252 shall run concurrently with leave taken under the FMLA.

253 An employer may require that family and medical (b) 254 leave insurance benefit payments made pursuant to this section be 255 made concurrently or otherwise coordinated with payment made or 256 leave allowed under the terms of short-term disability or 257 designated family care leave under a collective bargaining 258 agreement or employer policy. The employer must give employees 259 written notice of this requirement when the employee requests 260 leave under this section, or when the employer acquires knowledge that an employee's leave may be for a qualifying reason under 261 262 Section 3(a) of this act.

(2) (a) This act does not diminish an employer's obligation
to comply with a collective bargaining agreement or employer
policy, as applicable, that provides greater leave or more
generous benefits.

(b) An agreement by an individual to waive the individual's rights under this act is void as against public policy.

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270 <u>SECTION 12.</u> Appeals. (1) Claims for benefits must be made 271 in accordance with regulations the director prescribes.

(2) An applicant for family and medical leave insurance benefits who is dissatisfied with any determination of their claim for family and medical leave insurance benefits under this chapter may appeal the determination within ninety (90) days of receiving notice of the determination in the manner provided in Section 71-5-519.

278 <u>SECTION 13.</u> Erroneous payments and disqualification for 279 benefits. (1) A covered individual may be disqualified from 280 family and medical leave insurance benefits for up to one (1) year 281 if the individual willfully makes a false statement or 282 misrepresentation regarding a material fact, or willfully failed 283 to report a material fact, to obtain benefits under this act.

284 If family and medical leave insurance benefits are paid (2)285 erroneously or as a result of willful misrepresentation, or if a 286 claim for family and medical leave insurance benefits is rejected 287 after benefits are paid, then the department may seek repayment of 288 benefits from the recipient. The director shall exercise 289 discretion to waive, in whole or in part, the amount of any such 290 payments where the recovery would be against equity and good 291 conscience.

292 <u>SECTION 14.</u> Elective coverage. (1) A self-employed person, 293 including an independent contractor, sole proprietor, partner, or 294 joint venturer, may elect coverage under this chapter for an

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295 initial period of not less than three (3) years or a subsequent 296 period of not less than one (1) year immediately following another period of coverage. A self-employed person who elects coverage 297 298 shall become eligible for family and medical leave insurance 299 benefits immediately when that individual has met the requirements 300 of Section (2)(f)(i) of this act. The self-employed person must 301 file a notice of election in writing with the director, as 302 required by the department. The election becomes effective on the 303 date of filing the notice.

304 (2) A self-employed person who has elected coverage may 305 withdraw from coverage within thirty (30) days after the end of 306 the three (3) year period of coverage, or at other times as the 307 Director may prescribe by rule, by filing written notice with the 308 Director, the withdrawal to take effect not sooner than thirty 309 (30) days after filing the notice.

310 (3) A person who has elected coverage under this section and 311 is no longer a self-employed person shall be excused from their 312 obligations under this section, as the department shall prescribe 313 by rule.

314 <u>SECTION 15.</u> Administration. (1) The department shall 315 establish and administer a family and medical leave insurance 316 program using monies from the Family and Medical Leave Insurance 317 Fund and pay family and medical leave insurance benefits as 318 specified in this act.

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319 (2) The department shall establish procedures and forms for 320 filing claims for benefits under this act. The department shall 321 notify the employer within five (5) business days of the 322 department's receipt of a claim being filed pursuant to this act.

323 (3) The department shall use information sharing and 324 integration technology to facilitate the disclosure of relevant 325 information or records so long as an individual consents to the 326 disclosure in the manner provided by applicable law.

327 Information contained in the files and records (4) pertaining to an individual under this chapter are confidential 328 329 and not open to public inspection under the Mississippi Public 330 Records Act of 1983 in Section 25-61-1 et seq., other than to 331 public employees in the performance of their official duties. 332 However, an individual, or an authorized representative of an 333 individual, may review the records or receive specific information 334 from the records on the presentation of the signed authorization 335 of the individual.

336 <u>SECTION 16.</u> Promulgation of rules. The director may 337 promulgate rules in accordance with the Mississippi Administrative 338 Procedures Law in Section 25-43-1.101 et seq., as necessary to 339 implement this act. In promulgating rules, the director shall 340 maintain, to the extent possible, consistency with the rules 341 promulgated to implement the federal Family and Medical Leave Act 342 of 1993 (29 USC 2601 et seq.).

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343 <u>SECTION 17.</u> Income taxes. If the federal Internal Revenue 344 Service determines that family and medical leave insurance 345 benefits under this chapter are subject to federal income tax, 346 then the department must advise an individual filing a new claim 347 for family and medical leave insurance benefits, at the time the 348 individual files the claim, that:

349 (a) The federal Internal Revenue Service has determined350 that benefits are subject to federal income tax; and

351 (b) Requirements exist pertaining to estimated tax352 payments.

353 <u>SECTION 18.</u> Intermittent or reduced leave schedule. (1) A 354 covered individual shall be entitled, at the option of the covered 355 individual, to take paid family and medical leave on an 356 intermittent or reduced leave schedule in which all of the leave 357 authorized under this act is not taken sequentially. Family and 358 medical leave insurance benefits for intermittent or reduced leave 359 schedules shall be prorated.

360 (2) The covered individual shall make a reasonable effort to 361 schedule intermittent or reduced leave so as not to disrupt unduly 362 the operations of the employer. The covered individual shall 363 provide the employer with prior notice of the schedule on which 364 the covered individual will be taking leave, to the extent 365 practicable. Leave taken on an intermittent leave schedule shall 366 not result in a reduction of the total amount of leave to which a

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S. B. No. 2292 23/SS26/R510 PAGE 15 (ab\tb) 367 covered individual is entitled beyond the amount of leave actually 368 taken.

369 <u>SECTION 19.</u> Reports. No later than April 1, 2027, and by 370 April 1 of each subsequent year, the department shall report to 371 the general assembly on projected and actual program 372 participation, premium rates, fund balances and outreach efforts.

373 SECTION 20. Public education campaign. The department shall 374 conduct a public education campaign to inform workers and 375 employers about the program and the availability of paid family 376 leave and medical leave. The department may use a portion of the 377 funds collected for the paid family and medical leave insurance 378 program in a given year to pay for the public education campaign. 379 Outreach information must be available in English and other 380 languages spoken by more than ten percent (10%) of the state's 381 population.

382 <u>SECTION 21.</u> Data collection. The department is encouraged 383 to use state data collection and technology to the extent possible 384 in order to keep the cost of the Family and Medical Leave 385 Insurance Program down and to integrate the program with existing 386 state policies.

387 <u>SECTION 22.</u> Notice. (1) An employer shall provide written 388 notice to each employee upon hiring and each calendar year 389 thereafter. An employer shall also provide written notice to an 390 employee when the employee requests leave under this act, or when 391 the employer acquires knowledge that an employee's leave may be

392 for a qualifying reason under Section 4(1) of this act. The 393 notice must include:

(a) The employee's right to family and medical leave
insurance benefits under this act and the terms under which it may
be used;

397 (b) The amount of family and medical leave insurance398 benefits;

399 (c) The procedure for filing a claim for benefits;
400 (d) The right to employment restoration and benefits
401 continuation under Section 7 of this act;

402 (e) A statement that discrimination and retaliatory
403 personnel actions against a person for requesting, applying for or
404 using family and medical leave insurance benefits is prohibited
405 under Section 8 of this act;

(f) A statement informing the employee whether the employer requires payment pursuant to this act be made concurrently or otherwise coordinated with payment made or leave allowed under the terms of short-term disability or designated family care leave under a collective bargaining agreement or employer policy under Section 10 of this act; and

(g) That the employee has a right to enforce theirrights under this section pursuant to Section 9 of this act.

414 (2) An employer shall also display and maintain a poster in
415 a conspicuous place accessible to employees at the employer's
416 place of business that contains the information required by

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417 subsection (1) of this section in English, Spanish, and any 418 language that is the first language spoken by at least ten percent 419 (10%) of the employer's workforce, as long as the notice has been 420 made publicly available by the department. The director may adopt 421 regulations to establish additional requirements concerning the 422 means by which employers provide the notice.

423 <u>SECTION 23.</u> Effective date. For purposes of promulgating
424 rules, Section 15 of this act shall take effect upon passage. For
425 all other purposes, this act takes effect January 1, 2024.
426 SECTION 24. This act shall take effect and be in force from

427 and after July 1, 2023.