

HB 1582-FN - AS INTRODUCED

2022 SESSION

22-2417

04/05

HOUSE BILL ***1582-FN***

AN ACT repealing the granite state paid family leave plan.

SPONSORS: Rep. Torosian, Rock. 14; Rep. Silber, Belk. 2; Rep. Ankarberg, Straf. 10; Rep. Turcotte, Straf. 4; Rep. Andrus, Merr. 1; Rep. Layon, Rock. 6

COMMITTEE: Commerce and Consumer Affairs

ANALYSIS

This bill repeals the paid family and medical leave plan.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT repealing the granite state paid family leave plan.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Insurance Department; Premium Tax RSA 400-A:32, III is repealed and reenacted to read as
2 follows:

3 III.(a) Except as provided in subparagraph (b), the taxes imposed in paragraphs I and II of
4 this section shall be promptly forwarded by the commissioner to the state treasurer for deposit to the
5 general fund.

6 (b) Taxes imposed attributable to premiums written for medical and other medical
7 related services for the newly eligible Medicaid population as provided for under RSA 126-AA shall
8 be deposited into the New Hampshire granite advantage health care trust fund established in RSA
9 126-AA:3. The commissioner shall notify the state treasurer of sums for deposit into the New
10 Hampshire granite advantage health care trust fund no later than 30 days after receipt of said taxes.
11 The moneys in the trust fund may be used for the administration of the New Hampshire granite
12 advantage health care program, established in RSA 126-AA.

13 2 Repeal. The following are repealed:

14 I. RSA 21-I:96 through 21-I:108, relative to the granite state paid family and medical leave
15 plan.

16 II. RSA 282-B, relative to the purchasing pool for paid family and medical leave insurance.

17 III. RSA 275:37-d, prohibiting employers from discriminating against employees who access
18 family and medical leave benefits.

19 IV. RSA 77-E:3-e, relative to the employer's tax credit for sponsoring a family and medical
20 leave plan.

21 V. RSA 6:12, I(b)(380)-(381), relative to moneys deposited in the FMLI premium fund and
22 the FMLI premium stabilization trust fund.

23 3 Effective Date. This act shall take effect 60 days after its passage.

**HB 1582-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT repealing the granite state paid family leave plan.

FISCAL IMPACT: ☒ State ☒ County ☒ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	Indeterminable	Indeterminable	Indeterminable
Expenditures	\$0	Indeterminable Decrease	Indeterminable Decrease	Indeterminable Decrease
Funding Source:	<input checked="" type="checkbox"/> General Government Funds <input checked="" type="checkbox"/> Education <input checked="" type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Various			

METHODOLOGY:

This bill repeals the Granite State Paid Family and Medical Leave Plan.

The Department of Employment Security indicates the Department's responsibilities under the Granite State Paid Family and Medical Leave Plan are overseeing administration of the pool purchasing mechanism for Granite State Paid Family Leave Plan coverage, the FMLI Premium Fund and the FMLI Premium Stabilization Fund. Under current law, the FMLI Premium Fund is established to receive deposits of insurance premium payments. The FMLI Premium Stabilization Trust Fund is established to receive deposits of premium taxes imposed on premiums and gifts, grants and donations. RSA 282-B:7 provides that the State Treasurer shall transfer funds to the Department of Employment Security from the general fund for payment of administrative and implementation costs. These costs will be based on the results of an RFP process and are not currently known. If the Granite State Paid Family and Medical Leave Plan is repealed the costs will not be incurred.

The Department of Administrative Services indicates many details of the FMLI plan, including eligibility requirements and waiting periods, are as of yet undetermined, and dependent on the results of the procurement and rulemaking processes, including the per-employee rate for insurance coverage for State employees. The bill would repeal RSA 282-B, which allows for general funds to be provided for payment of the administrative and implementation costs associated with setting up and implementing a group purchasing mechanism to allow individuals to purchase coverage under the State government employee FMLI plan. If the plan is repealed

these costs will not be incurred. Repeal of the paid family and medical leave program would also eliminate the need for additional State staff resources required for implementation and oversight of the new FMLI benefit for State employees, including coordination with, and support of, the FMLI Advisory Board, administration of the FMLI Plan contract, human resource staff support of employees enrolling in and utilizing FMLI, and costs associated with reporting and outreach.

The Department of Revenue Administration states although it was not able to determine the fiscal impact of enactment of a BET credit for premiums paid under the Granite State Paid Family Leave Plan, the Department did anticipate that the creation of an additional BET credit would result in an indeterminable decrease in revenue to the General and Education Trust funds beginning in SFY 2023 (the first year when the Granite State Paid Family Plan is expected to launch). Therefore, repeal of the Granite State Paid Family Leave Plan BET credit would increase revenue to the General and Education Trust funds beginning in FY 2023. The proposed legislation would not result in any additional administrative costs that could not be absorbed in the DRA operating budget.

The Insurance Department assumed that it would not be involved in this program and assumed there would be no impact on its operating budget.

AGENCIES CONTACTED:

Departments of Employment Security, Administrative Services, Revenue Administration and Insurance