

**FY 2013**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**EMPLOYMENT AND TRAINING ADMINISTRATION**

**State Paid Leave Fund**



# STATE PAID LEAVE FUND

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**STATE PAID LEAVE FUND**

**APPROPRIATION LANGUAGE**

*For grants and contracts to assist in the start-up of new paid leave programs in the States,*

*\$5,000,000.*

## **STATE PAID LEAVE FUND**

### **EXPLANATION OF LANGUAGE CHANGE**

This is a new appropriation. Under this new initiative, grants and contracts would assist States in planning and start-up activities relating to paid leave programs.

# **STATE PAID LEAVE FUND**

## **ANALYSIS OF APPROPRIATIONS LANGUAGE**

Not applicable.

## STATE PAID LEAVE FUND

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	FY 2011 Enacted		FY 2012 Enacted		FY 2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>A. Appropriation</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$5,000</b>
Other Supplementals and Rescissions	0	\$0	0	\$0	0	\$0
Appropriation, Revised	0	\$0	0	\$0	0	\$5,000
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$5,000</i>
Comparative Transfer To:	0	\$0	0	\$0	0	\$0
Comparative Transfer From:	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
Fees	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
<b>B. Gross Budget Authority</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$5,000</b>
Offsetting Collections						
Deduction	0	\$0	0	\$0	0	\$0
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
<i>Subtotal Offsetting Collections</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
<b>C. Budget Authority Before Committee</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$5,000</b>
Legislative Proposal	0	\$0	0	\$0	0	\$0
Offsetting Collections From:						
Reimbursements	0	\$0	0	\$0	0	\$0
Advances	0	\$0	0	\$0	0	\$0
Adjustment for Appropriated	0	\$0	0	\$0	0	\$0
<i>Subtotal Budget Authority</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$5,000</i>
<b>D. Total Budgetary Resources</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$5,000</b>
Other Unobligated Balances	0	\$0	0	\$0	0	\$0
Unobligated Balance Expiring	0	\$0	0	\$0	0	\$0
<b>E. Total, Estimated Obligations</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$5,000</b>

# STATE PAID LEAVE FUND

## SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2012 Enacted	FY 2013 Request	Net Change
<b>Budget Authority</b>			
General Funds	\$0	\$5,000	+\$5,000
Trust Funds	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$5,000</b>	<b>+\$5,000</b>
<b>Full Time Equivalents</b>			
General Funds	0	0	0
Trust Funds	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

Explanation of Change	FY 2012 Base		Trust Funds		FY 2013 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	0	\$0	0	\$0	0	\$0	0	\$0
Personnel benefits	0	\$0	0	\$0	0	\$0	0	\$0
One day more of pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
State Paid Leave Program	0	\$0	0	\$0	0	\$5,000	0	\$5,000
<b>Programs Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$5,000</b>	<b>0</b>	<b>+\$5,000</b>
<b>Total Increase</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$5,000</b>	<b>0</b>	<b>+\$5,000</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>B. Programs:</b>								
<b>Programs Subtotal</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Total Decrease</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>
<b>Total Change</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$5,000</b>	<b>0</b>	<b>+\$5,000</b>

## STATE PAID LEAVE FUND

<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b>								
(Dollars in Thousands)								
	FY 2011 Enacted		FY 2012 Enacted		FY 2013 Request		Diff. FY13 Req. / FY12 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>State Paid Leave Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>
General Funds	0	0	0	0	0	5,000	0	5,000
<b>Operations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>0</b>
<b>Administration</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>
<b>General Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>0</b>	<b>5,000</b>

## STATE PAID LEAVE FUND

<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2011 Enacted</b>	<b>FY 2012 Enacted</b>	<b>FY 2013 Request</b>	<b>Diff. FY13 Req./ FY12 Enacted</b>
	Full-Time Equivalent				
	<b>Total</b>	0	0	0	0
	Average ES Salary	\$0	\$0	\$0	\$0
	Average GM/GS Grade	0	0	0	0
	Average GM/GS Salary	\$0	\$0	\$0	\$0
	Average Salary of Ungraded Positions	0	0	0	0
11.1	Full-time permanent	0	0	0	0
11.3	Other than full-time permanent	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.1	Civilian personnel benefits	0	0	0	0
41.0	Grants, subsidies, and contributions	0	0	5,000	5,000
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>

## STATE PAID LEAVE FUND

<b>APPROPRIATION HISTORY</b>					
(Dollars in Thousands)					
	<b>Budget Estimates to Congress</b>	<b>House Allowance</b>	<b>Senate Allowance</b>	<b>Appropriations</b>	<b>FTE</b>
2003	\$0	\$0	\$0	\$0	0
2004	0	0	0	0	0
2005	0	0	0	0	0
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0
2011	50,000	0	0	0	0
2012	23,000	0	0	0	0
2013	5,000	0	0	0	0

## STATE PAID LEAVE FUND

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>FY 2011 Enacted</b>	<b>FY 2012 Enacted</b>	<b>FY 2013 Request</b>	<b>Diff. FY 13 Req. / FY 12 Enacted</b>
Budget Authority	0	0	5,000	5,000
FTE	0	0	0	0

### **Introduction**

The State Paid Leave Fund will provide funds to support States that wish to establish paid leave programs. Currently, California and New Jersey offer such programs, which they call family leave insurance. In these two states, the programs are State-run insurance programs financed by employer and/or employee contributions, and they offer up to six weeks of benefits to workers for reasons covered under the Family and Medical Leave Act who must take time off to care for a seriously ill child, spouse, or parent, or bond with a newborn or recently adopted child. Research suggests that paid leave programs can enhance job retention for many workers and help workers stay on their career paths.

Under this initiative, funds would be provided to assist additional States in planning and start-up activities relating to State paid leave programs. These funds will be provided for pre-implementation planning activities, which may include: designing a program; establishing protocol for withholding taxable wages; defining family eligibility and benefits requirements; and articulating start-up activities. Funds may also be used for activities such as research and analysis, stakeholder consultation; conducting actuarial analysis; and development of a financing model and benefit structure.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2008	\$0	0
2009	\$0	0
2010	\$0	0
2011	\$0	0
2012	\$0	0

### **Funding Mechanism**

Between 2 and 10 States may receive grants, depending on the number of States that need funds for pre-implementation planning (grant amounts are estimated to range from approximately \$500,000 - \$1,500,000 depending on where the State is in the pre-implementation ramp-up process). Technical assistance contracts may also be awarded.

### **FY 2013**

The Budget requests \$5,000,000 for the State Paid Leave Fund. These funds will be used for grants and for technical assistance to help planning and start-up activities in multiple States.

## STATE PAID LEAVE FUND

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>FY 2011 Enacted</b>	<b>FY 2012 Enacted</b>	<b>FY 2013 Request</b>	<b>Diff. FY13 Req./ FY12 Enacted</b>
11.1	Full-time permanent	0	0	0	0
11.3	Other than full-time permanent	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.1	Civilian personnel benefits	0	0	0	0
41.0	Grants, subsidies, and contributions	0	0	5,000	5,000
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>

# STATE PAID LEAVE FUND

## CHANGES IN FY 2013

(Dollars in Thousands)

**Activity Changes**

**Built-In**

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
One day more of pay	0
Federal Employees Compensation Act (FECA)	0
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$0**

**Net Program** **\$5,000**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$0</b>	<b>0</b>
<b>Program Increase</b>	<b>\$5,000</b>	<b>0</b>