

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: House Bill 269 (First Edition)

SHORT TITLE: Caregiver Relief Act.

SPONSOR(S): Representatives Fisher, Farmer-Butterfield, Cunningham, and L. Hall

| FISCAL IMPACT | | | | | |
|---|--|-----------------------------|---|------------|------------|
| | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> No Estimate Available | | |
| | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 |
| State Impact | | | | | |
| General Fund Revenues: | | | | | |
| General Fund Expenditures: | | | | | |
| State Positions: | | | | | |
| NET STATE IMPACT | No estimate available. Please see Assumptions & Methodology section for additional details. | | | | |
| Local Impact | | | | | |
| Revenues: | | | | | |
| Expenditures: | | | | | |
| NET LOCAL IMPACT | No estimate available. Please see Assumptions & Methodology section for additional details. | | | | |
| PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: | | | | | |
| All State Agencies, Institutions, Departments, and Universities | | | | | |
| EFFECTIVE DATE: July 1, 2015 | | | | | |
| TECHNICAL CONSIDERATIONS: | | | | | |
| Yes - See Technical Considerations Section | | | | | |

BILL SUMMARY:

House Bill 269, Caregiver Relief Act, amends the State’s labor laws to allow leave for caregivers who provide direct care to certain family members. HB 269 adds a new article, Article 24 to Chapter 95 of the General Statutes. Article 24 provides that, under State law, caregivers who provide direct care to certain family members are required to be given leave time in instances where leave would not be available to the caregivers under federal law.

Under federal law, the Family Medical Leave Act (FMLA) specifies the family members for which an eligible employee may take leave to provide care; HB 269 provides that an employer required to comply with FMLA is to provide the same leave to an eligible employee for other family members in need of care. The employee who takes leave under this provision is entitled to the same protections and rights that an eligible employee is entitled to under the FMLA.

HB 269 is effective July 1, 2015, and applies to covered employers and eligible employees on or after that date.

BACKGROUND

According to the US Department of Labor, the FMLA allows eligible employees to “take unpaid, job-protected leave for specified family and medical reasons with continuation of group health insurance coverage under the same terms and conditions as if the employee had not taken leave.”¹

“Eligible employees are entitled to:

- Twelve workweeks of leave in a 12-month period for:
 - The birth of a child and to care for the newborn child within one year of birth;
 - The placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
 - To care for the employee’s spouse, child, or parent who has a serious health condition;
 - A serious health condition that makes the employee unable to perform the essential functions of his or her job;
 - Any qualifying exigency arising out of the fact that the employee’s spouse, son, daughter, or parent is a covered military member on “covered active duty;” **or**
- Twenty-six workweeks of leave during a single 12-month period to care for a covered service member with a serious injury or illness if the eligible employee is the service member’s spouse, son, daughter, parent, or next of kin (military caregiver leave).”²

ASSUMPTIONS AND METHODOLOGY:

FMLA includes an employee’s spouse, son, daughter, or parent as covered family members. HB 269 adds several covered family members to the State’s requirements related to this type of leave, requiring that employers who provide FMLA shall also provide family leave for covered employees providing caregiving to:

- siblings,
- grandparents,
- grandchildren,
- step-parents, or
- parents-in-law.

The addition of these groups of covered family members could increase the use of the benefits associated with FMLA. FMLA leave is limited to 12 workweeks during a 12-month period but HB 269 increases the number of covered family members and, therefore, increases the likelihood that an employee can and will take FMLA leave. While FMLA leave is unpaid, additional days of leave can still have an impact on the State expenditures, potentially adding expenses due to increased overtime or the need to hire temporary employees to meet work demands while an employee is unavailable. Because this cost is dependent upon who is on leave, how much leave is

¹ US Dept. of Labor. Family Medical Leave Act. <http://www.dol.gov/whd/fmla/>

² Ibid.

taken, and the nature of the work performed by the employee on leave, it is not possible to develop and accurate estimate of the cost of HB 269.

SOURCES OF DATA:

US Department of Labor: <http://www.dol.gov/whd/fmla/>

TECHNICAL CONSIDERATIONS:

1. This fiscal note addresses the additional costs to the State from HB 269 and do not address the fiscal impact on local governments or private businesses.

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DATE: April 27, 2015



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