Legal Update Article

## **Vermont Governor Announces Family and Medical Leave Insurance Plan**

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## Meet the Authors



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## **Related Services**

Disability, Leave and Health Management Vermont will join its neighboring state New Hampshire in implementing a voluntary paid family and medical leave insurance program.

The program, called the Vermont Family and Medical Leave Insurance Plan (VT-FMLI), will be rolled out in 2023 for state workers before expanding to the private sector. The coverage will be available to private employers in 2024, and beginning in 2025, individual employees and self-employed workers can purchase individual coverage if their employers do not offer it.

On December 6, 2022, Governor Phil Scott announced details concerning the state's plans for this program, including that the State of Vermont selected The Hartford to create and administer the program.

The program is voluntary in the private sector and will provide Vermont workers with 60-percent wage replacement for up to six weeks of work in a 12-month period if they take time off for qualified events.

Employees who work for businesses electing to participate in the voluntary program or who obtain coverage individually will be able to utilize the paid leave benefits for qualified events, including:

- The birth of a child and to care for the newborn child within one year of birth;
- An employee's adoption of a child or foster care placement, and to care for the newly placed child within one year of placement;
- Caring for the employee's spouse, child, stepchild, foster child, ward who lives with the
  employee, parent, or parent of the employee's spouse who has a serious health
  condition;
- A serious health condition that makes the employee unable to perform the essential functions of their job; or
- Any qualifying exigency arising out of the fact that the employee's spouse, child, or
  parent is a covered military member on "covered active duty," or to care for a covered
  servicemember with a serious injury or illness if the eligible employee is the
  servicemember's spouse, son, daughter, parent, or next of kin (i.e., "military caregiver
  leave").

Vermont's plan follows the similar <u>plan adopted in New Hampshire</u> under Governor Chris Sununu that rolls out in January 2023. The two plans share significant similarities, and both find their origins in the Twin State Voluntary Leave Plan proposed by Governors Scott and Sununu in 2019. Under that plan, which was not enacted in either state, Vermont and New Hampshire would have created a joint plan in both states along the lines of the plans the states ultimately passed separately. Ultimately, Vermont and New Hampshire have elected to proceed separately in enacting paid family and medical leave programs in the two New England states.

For more information about Vermont's family and medical leave insurance program or other paid leave laws and programs that may affect your organization, please contact a Jackson Lewis attorney.

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