Family & Medical Leave Insurance Legislation (FMLI) - FAQ

What is Paid Family Medical Leave? Paid time off following the birth or adoption of one’s child, to care for a family member with a serious health condition, or to deal with one’s own serious health condition.

Why does Wisconsin need legislation to ensure Paid Family Medical Leave? At some point, nearly everyone needs time away from work to recover from a serious illness or injury, to care for a loved one, or to care for a new child. Yet, the majority of working people in Wisconsin cannot take the leave they need without risking their job or economic security. There has been little movement on a federal paid family leave act, so states are taking the lead to ensure workers in their state have the protections they and their families need.

What does FMLI legislation do? Wisconsin’s proposed legislation is referred to as Family Medical Leave Insurance (FMLI) which establishes a family and medical leave insurance program under which employees that pay into the program can receive pay while taking family or medical leave.

How does FMLI differ from the Family and Medical Leave Act (FMLA)? FMLI is paid leave. FMLA only covers 60% of the workforce and only guarantees unpaid leave which many workers cannot afford to take. FMLA doesn’t allow you to take unpaid leave to care for a loved one outside a parent, child, spouse, or domestic partner. Only 11% of the U.S. workers have access to paid family medical leave through their employer, which means the vast majority of workers face impossible choices when new children are born or adopted and when serious personal or family health issues inevitably rise.

How does FMLI differ from paid sick days? Paid sick days are for short term employee illnesses, while FMLI covers longer absences for their own illness or injury.

Who would be covered under Wisconsin’s Paid Family Medical Insurance bill?
- An estimated 2.7 million Wisconsinites would be eligible and an estimated 6% of all eligible workers will access FMLI benefits in a given year.
- All employees (including part-time workers) who worked for any employer, at least 680 hours the year prior to a claim.
- A self-employed individual who elects coverage under the program.
- A covered individual who is on family or medical leave is eligible, beginning on January 1, 2024, for up to 12 weeks of family or medical leave insurance benefits.

How would the FMLI program work?
- A family and medical leave insurance trust fund would be created and administered by the Wisconsin Department of Workforce Development (DWD).
- A worker-contribution insurance fund would be created to pay out proportions of weekly earnings to those taking family or medical leave.
- Employee contributions first apply to wages earned starting January 1, 2023.
- FMLI would be available to employees starting January 1, 2024.
- Would be paid for through an employee payroll deduction.
Who is included in Covered Family Members under FMLI? Eligible family members for whom an employee could take paid leave to care for includes: parent, child, spouse, domestic partner, siblings, grandchildren, and grandparents.

How much do employees get paid when taking leave?

- 95% of average weekly earnings for workers earning less than $17,791.50. (30% of the state annual median wage which is $59,305).
- 90% of average weekly earnings for workers earning less than $29,652.50 (50% of the state annual median wage).
- 85% of average weekly earnings for workers earning between $29,652.50 and $47,444 (at least 50%, but less than 80%, of the state annual median wage).
- 60% of average weekly earnings for workers earning more than $47,444 (at least 80% of the state annual median wage).
- An average weekly benefit payout for an eligible worker would be $569.
- The maximum benefits payable cannot exceed $1,000 per week (adjusted according to the consumer price index).

Are there measures to prevent fraud and abuse? Yes. DWD review claims, ensuring only those who meet specific, objective standards will receive payments.

How much would the FMLI cost a typical worker?

- Example 1: Annual salary of $9,000 with 95% replacement rate upon leave will pay $1.33 per week into program fund.
- Example 2: Annual salary of $30,000 with 66% replacement rate upon leave will pay $4.42 a week.
- The maximum weekly payroll deduction would be $19.59 for those at or above the Social Security payroll deduction cap.

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How would FMLI benefit employers?

- FMLI is at no cost to employer because funded by employee payroll deduction.
- FMLI would encourage employee recruitment, and retention, and reduced turnover.

Which states have already passed paid leave legislation? California (2002), New Jersey (2008), Rhode Island (2013), New York (2016), Washington (2017), Massachusetts (2018), and Connecticut (2019). Similar bills have also been introduced in Main, Nebraska, North Dakota and Vermont.