

COLORADO DEPARTMENT OF
LABOR AND EMPLOYMENT
EMPLOYER WEBINAR SERIES

Understanding FAMILI and Employer Obligations

Division of Family and Medical Leave Insurance
famli.colorado.gov
January 27, 2022



COLORADO
Department of
Labor and Employment



The FAMLI Employer Webinar Series

Upcoming FAMLI Webinar Topics:

- February 28 – What is the Difference Between FAMLI and Other Employee Leave Laws?
- March 31 – Employer Toolkit Preview and Open Forum discussion
- DATES TBD:
 - APRIL: Preparing Your Small Business for FAMLI
 - MAY: Local Governments
 - JUNE: Calculating Premiums and Open Forum

Agenda

- About FAMLI
- Timelines
- Rulemaking
- Private Plans
- Frequently Asked Questions
- Preparing for FAMLI

About FAMLI

- Ninth state-facilitated paid family medical leave program within the United States
- Approved by Colorado voters in November 2020
- Prop 118 mandates all workers be covered by protections and benefits
- Social Insurance Program will have capacity to cover ALL workers but qualifying private plans are allowed



When Can a Covered Individual Use FAMLI Leave?

- Their own serious health condition
- Serious health condition of a family member
- Care for a new child (birth, foster placement, adoption, caring for child within the first year from birth)
- Make arrangements for military deployments
- Immediate safety needs and impact of domestic violence/sexual assault

How is FAMLI funded under Prop 118?

Premium Responsibilities under Proposition 118

Employer Type	Employer Premium	Employee Premium	No Premium
9 or fewer employees		✓	
10+ employees	✓	✓	
Participating self-employed		✓	
Participating local government employee		✓	
Nonparticipating local government			✓
Nonparticipating self-employed			✓
Employer with private plan			✓

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November 3, 2020

Colorado Proposition 118,
Paid Medical and Family Leave
Initiative passes

July 1, 2022

Public Education Campaign starts

January 1, 2024

Beneficiaries can start claiming
benefits

Legislative dates set by the ballot measure



January 1, 2022

Initial FAMLI rules adopted



January 1, 2023

Contributors must be able to pay
into the FAMLI fund



Rulemaking and public comment

- Rules to date:
 - Premiums rules were enacted on January 1, 2022.
 - Local government rules were adopted on January 14, 2022.
- On deck: benefits rules and private plans (Spring 2022)
- All documents are available online -
<https://famli.colorado.gov/proposed/adopted-rules>
- To receive emails from us regarding rulemaking email
[CDLE FAMLI info@state.co.us](mailto:CDLE_FAMLI_info@state.co.us)

FAQs from Colorado employers

ADMINISTRATION

- When does this go into effect?
- Is this optional for the employee/employer?
- How does this law interact with FMLA? HFWA? Paid sick leave?
- Can you take this leave intermittently?
- Does the employee apply directly to the government?
- Are premium and benefits payments taxable?
- Does this cover seasonal employers?

FAQs from Colorado employers

BENEFITS

- Will we be notified when an employee applies for this?
- Can you go over in more detail what the employee benefit is for the employee? How does the sliding % work?
- How much leave can an employee take?
- If there is no more money in the individual's fund, does it stop paying out?

FAQs from Colorado employers

PREMIUMS

- How will these funds be collected? Do we need to set up an online account?
- We are headquartered outside of CO – does this impact us? What about a remote employee working in CO?
- What size employers does this apply to? What about the self-employed? What about 1099 employees?

FAQs from Colorado employers

PREMIUMS (Continued)

- Who is exempt from this program?
- Does this apply to all types of wages, including bonuses?
- Will this be a separate filing or filed with unemployment taxes?

Private Plans and Self Insurance

- Private plans must be pre-approved by the Division and provide all of the same rights, protections, and benefits as Colorado's FAMLI paid leave program.
- The Division is coordinating with the Colorado Division of Insurance to create rules and a regulated market for employers and insurance companies.
- Self Insurance will require a surety bond, and will follow similar requirements as what Colorado does for self-insured worker compensation plans.

1. Determine how FAMLI will apply to your business

How many people do you employ?

2. Estimate your premium liability

Use the calculator on FAMLI website, or for multiple employees, use the set formula and rate to create a spreadsheet that works for your business needs.

3. Consider options

While markets for private plans are not yet available, and details on self-insured options with the use of a surety bond paid to the State are forthcoming, you may want to plan for conversations with your insurance brokers and financial planners.

4. Talk to HR

Beginning in Fall 2022, you will want to begin incorporating language into employee manuals regarding premium deductions.

Beginning in Fall 2023, you will want to adopt clear guidance in employees around the FAMLI benefits, notices to you etc.

5. Payroll

If you use a payroll company, or if you process payroll yourself, you will need a plan to both have the FAMLI premiums deducted and submitted to CDLE beginning January 1, 2023.

6. Ask questions

FAMLI will begin registering employers in the fall of 2022, and we are committed to helping you navigate the process.

How Your Business Can Prepare for FAMLI

Q1

Learn about the new FAMLI program **AND** request guidance

Q2

Share information with employees and professional organizations **AND**
Participate in ongoing rulemaking and user experience discovery/testing

Q3

Register with FAMLI Division **AND**
Update employee handbooks using model language from CDLE explaining payroll deductions

Q4

Set up payroll deductions for premiums, beginning on January 1, 2023 **OR**
Notify Division and provide documentation of private plans



Thank You!

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