

2025 -- S 0974 AS AMENDED

LC002731

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- TEMPORARY DISABILITY
INSURANCE --CONTRIBUTIONS

Introduced By: Senators Lawson, Bissaillon, Tikoian, Lauria, DiMario, Euer, Urso,
Felag, Murray, and Gallo

Date Introduced: April 16, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 28-40-1 of the General Laws in Chapter 28-40 entitled "Temporary
2 Disability Insurance — Contributions" is hereby amended to read as follows:

3 **28-40-1. Amount of employee contributions — Wages on which based.**

4 (a) The taxable wage base under this chapter for each calendar year shall be equal to the
5 greater of ~~thirty-eight thousand dollars (\$38,000)~~ one hundred thousand dollars (\$100,000) or the
6 annual earnings needed by an individual to qualify for the maximum weekly benefit amount and
7 the maximum duration under chapters 39 — 41 of this title. That taxable wage base shall be
8 computed as follows: Every September 30, the maximum weekly benefit amount in effect as of that
9 date shall be multiplied by thirty (30) and the resultant product shall be divided by thirty-six
10 hundredths (.36). If the result thus obtained is not an even multiple of one hundred dollars (\$100),
11 it shall be rounded upward to the next higher even multiple of one hundred dollars (\$100). That
12 taxable wage base shall be effective for the calendar year beginning on the next January 1.

13 (b) Each employee shall contribute with respect to employment after the date upon which
14 the employer becomes subject to chapters 39 — 41 of this title, an amount equal to the fund cost
15 rate times the wages paid by the employer to the employee up to the taxable wage base as defined
16 and computed in subsection (a) of this section. The employee contribution rate for the following
17 calendar year shall be determined by computing the fund cost rate on or before November 15 of
18 each year as follows:

(1) The total amount of disbursements made from the fund for the twelve-month (12) period ending on the immediately preceding September 30 shall be divided by the total taxable wages paid by employers during the twelve-month (12) period ending on the immediately preceding June 30. The ratio thus obtained shall be multiplied by one hundred (100) and the resultant product if not an exact multiple of one-tenth of one percent (0.1%) shall be rounded down to the next lowest multiple of one-tenth of one percent (0.1%);

(2) If the fund balance as of the preceding September 30 is less than the total disbursements from the fund for the six-month (6) period ending on that September 30, that difference shall be added to the total disbursements for the twelve-month (12) period ending September 30 for the purpose of computing the fund cost rate, and if the resulting fund cost rate is not an exact multiple of one-tenth of one percent (0.1%) it shall be rounded to the nearest multiple of one-tenth of one percent (0.1%).

SECTION 2. Sections 28-41-5, 28-41-34 and 28-41-35 of the General Laws in Chapter 28-41 entitled "Temporary Disability Insurance — Benefits" are hereby amended to read as follows:

28-41-5. Weekly benefit rate — Dependents' allowances. [Effective January 1, 2025.]

(a) Benefit rate.

(1) The benefit rate payable under this chapter to any eligible individual with respect to any week of the individual's unemployment due to sickness, when that week occurs within a benefit year, shall be, for benefit years beginning on or after October 7, 1990, and prior to January 1, 2027, four and sixty-two hundredths percent (4.62%); for benefit years beginning on or after January 1, 2027, and prior to January 1, 2028, five and thirty-eight hundredths percent (5.38%); and for benefit years beginning on or after January 1, 2028, five and seventy-seven hundredths percent (5.77%) of the wages paid to the individual in that calendar quarter of the base period in which the individual's wages were highest; provided, however, that the benefit rate shall not exceed eighty-five percent (85%) of the average weekly wage paid to individuals covered by chapters 42 — 44 of this title for the preceding calendar year ending December 31. If the maximum weekly benefit rate is not an exact multiple of one dollar (\$1.00) then the rate shall be raised to the next higher multiple of one dollar (\$1.00). Those weekly benefit rates shall be effective throughout the benefit years beginning on or after July 1 of the year prior to July of the succeeding calendar year.

(2) The benefit rate of any individual, if not an exact multiple of one dollar (\$1.00), shall be raised to the next higher multiple of one dollar (\$1.00).

(b) Dependents' allowances. An individual to whom benefits for unemployment due to sickness are payable under this chapter with respect to any week, shall, in addition to those benefits, be paid with respect to each week a dependent's allowance of twenty dollars (\$20.00) or seven

1 percent (7%) of the individual's benefit rate payable under subsection (a) of this section, whichever
2 is greater, for each of that individual's children, including adopted and stepchildren or that
3 individual's court-appointed wards who, at the beginning of the individual's benefit year, is under
4 eighteen (18) years of age and who is at that time in fact dependent on that individual. A
5 dependent's allowance shall also be paid to that individual for any child, including an adopted child
6 or a stepchild or that individual's court appointed ward, eighteen (18) years of age or over,
7 incapable of earning any wages because of mental or physical incapacity, and who is dependent on
8 that individual in fact at the beginning of the individual's benefit year, including individuals who
9 have been appointed the legal guardian of that child by the appropriate court. However, in no
10 instance shall the number of dependents for which an individual may receive dependents'
11 allowances exceed five (5) in total. The weekly total of dependents' allowances payable to any
12 individual, if not an exact multiple of one dollar (\$1.00), shall be rounded to the next lower multiple
13 of one dollar (\$1.00). The number of an individual's dependents, and the fact of their dependency,
14 shall be determined as of the beginning of that individual's benefit year; provided, that only one
15 individual shall be entitled to a dependent's allowance for the same dependent with respect to any
16 week. Each individual who claims a dependent's allowance shall establish their claim to it to the
17 satisfaction of the director under procedures established by the director.

18 (c) Any individual's benefit rate and/or dependents' allowance in effect for a benefit year
19 shall continue in effect until the end of that benefit year.

20 (d) **Partial unemployment due to sickness.** For weeks beginning on or after January 1,
21 2006, an individual partially unemployed due to sickness and otherwise eligible in any week shall
22 be paid sufficient benefits with respect to that week, so that their wages, rounded to the next higher
23 multiple of one dollar (\$1.00), and their benefits combined will equal in amount the weekly benefit
24 rate to which the individual would be entitled if totally unemployed due to sickness in that week;
25 provided that an individual must have been totally unemployed due to sickness for at least seven
26 (7) consecutive days prior to claiming partial benefits under this provision; provided, that this
27 provision shall not apply if the individual is entitled to lag day benefits pursuant to § 28-41-9;
28 provided, further, that nothing contained herein shall permit any individual to whom remuneration
29 is payable for any work performed in any week in an amount equal to or greater than his or her
30 weekly benefit rate to receive benefits or waiting period credit for that week.

31 **28-41-34. Temporary caregiver insurance.**

32 The purpose of this chapter is to establish, within the state temporary disability insurance
33 program, a temporary caregiver insurance program to provide wage replacement benefits in
34 accordance with the provisions of this chapter, to workers who take time off work to care for a

seriously ill child, spouse, domestic partner, [sibling](#), parent, parent-in-law, grandparent, or to bond with a new child.

Definitions as used in this chapter:

(1) “Adopted child” means a child adopted by, or placed for adoption with, the employee.

(2) “Bonding or bond” means to develop a psychological and emotional attachment between a child and his or her parent(s) or persons who stand in loco parentis. This shall involve being in one another’s physical presence.

(3) “Child” means a biological, adopted, or foster son or daughter, a stepson or stepdaughter, a legal ward, a son or daughter of a domestic partner, or a son or daughter of an employee who stands in loco parentis to that child.

(4) “Department” means the department of labor and training.

(5) “Domestic partner” means a party to a civil union as defined by chapter 3.1 of title 15.

(6) “Employee” means any person who is or has been employed by an employer subject to chapters 39 — 41 of this title and in employment subject to those chapters.

(7) “Grandparent” means a parent of the employee’s parent.

(8) “Newborn child” means a child under one year of age.

(9) “Parent” means a biological, foster, or adoptive parent, a stepparent, a legal guardian, or other person who stands in loco parentis to the employee or the employee’s spouse or domestic partner when he/she was a child.

(10) “Parent-in-law” means the parent of the employee’s spouse or domestic partner.

(11) “Persons who stand in loco parentis” means those with day-to-day responsibilities to care for and financially support a child or, in the case of an employee, who had such responsibility for the employee when the employee was a child. A biological or legal relationship shall not be required.

(12) “Serious health condition” means any illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, residential healthcare facility, or continued treatment or continuing supervision by a licensed healthcare provider.

[\(13\) "Sibling" means children with a common parent, including biological siblings, half-siblings, step-siblings, foster siblings, and adopted siblings.](#)

~~(13)~~(14) “Spouse” means a party in a common law marriage, a party in a marriage conducted and recognized by another state or country, or in a marriage as defined by chapter 3 of title 15.

28-41-35. Benefits. [Effective January 1, 2025.]

(a) Subject to the conditions set forth in this chapter, an employee shall be eligible for

1 temporary caregiver benefits for any week in which the employee is unable to perform their regular
2 and customary work because the employee is:

3 (1) Bonding with a newborn child or a child newly placed for adoption or foster care with
4 the employee or domestic partner in accordance with the provisions of § 28-41-36(c); or

5 (2) Caring for a child, parent, parent-in-law, grandparent, spouse, ~~or~~ domestic partner, or
6 sibling who has a serious health condition, subject to a waiting period in accordance with the
7 provisions of § 28-41-12 [repealed]. Employees may use accrued sick time during the eligibility
8 waiting period in accordance with the policy of the individual's employer.

9 (b) Temporary caregiver benefits shall be available only to the employee exercising his or
10 her right to leave while covered by the temporary caregiver insurance program. An employee shall
11 file a written intent with their employer, in accordance with rules and regulations promulgated by
12 the department, with a minimum of thirty (30) days' notice prior to commencement of the family
13 leave. Failure by the employee to provide the written intent may result in delay or reduction in the
14 claimant's benefits, except in the event the time of the leave is unforeseeable or the time of the
15 leave changes for unforeseeable circumstances.

16 (c) Employees cannot file for both temporary caregiver benefits and temporary disability
17 benefits for the same purpose, concurrently, in accordance with all provisions of this act and
18 chapters 39 — 41 of this title.

19 (d) Temporary caregiver benefits may be available to any individual exercising their right
20 to leave while covered by the temporary caregiver insurance program, commencing on or after
21 January 1, 2014, which shall not exceed the individual's maximum benefits in accordance with
22 chapters 39 — 41 of this title. The benefits for the temporary caregiver program shall be payable
23 with respect to the first day of leave taken after the waiting period and each subsequent day of leave
24 during that period of family temporary disability leave. Benefits shall be in accordance with the
25 following:

26 (1) Beginning January 1, 2014, temporary caregiver benefits shall be limited to a maximum
27 of four (4) weeks in a benefit year;

28 (2) Beginning January 1, 2022, temporary caregiver benefits shall be limited to a maximum
29 of five (5) weeks in a benefit year;

30 (3) Beginning January 1, 2023, temporary caregiver benefits shall be limited to a maximum
31 of six (6) weeks in a benefit year;

32 (4) Beginning January 1, 2025, temporary caregiver benefits shall be limited to a maximum
33 of seven (7) weeks in a benefit year; and

34 (5) Beginning January 1, 2026, temporary caregiver benefits shall be limited to a maximum

1 of eight (8) weeks in a benefit year.

2 (e) In addition, no individual shall be paid temporary caregiver benefits and temporary
3 disability benefits that together exceed thirty (30) times the individual's weekly benefit rate in any
4 benefit year.

5 (f) Any employee who exercises their right to leave covered by temporary caregiver
6 insurance under this chapter shall, upon the expiration of that leave, be entitled to be restored by
7 the employer to the position held by the employee when the leave commenced, or to a position with
8 equivalent seniority, status, employment benefits, pay, and other terms and conditions of
9 employment including fringe benefits and service credits that the employee had been entitled to at
10 the commencement of leave.

11 (g) During any caregiver leave taken pursuant to this chapter, the employer shall maintain
12 any existing health benefits of the employee in force for the duration of the leave as if the employee
13 had continued in employment continuously from the date the employee commenced the leave until
14 the date the caregiver benefits terminate; provided, however, that the employee shall continue to
15 pay any employee shares of the cost of health benefits as required prior to the commencement of
16 the caregiver benefits.

17 (h) No individual shall be entitled to waiting period credit or temporary caregiver benefits
18 under this section for any week beginning prior to January 1, 2014. An employer may require an
19 employee who is entitled to leave under the federal Family and Medical Leave Act, Pub. L. No.
20 103-3 and/or the Rhode Island parental and family medical leave act, § 28-48-1 et seq., who
21 exercises their right to benefits under the temporary caregiver insurance program under this chapter,
22 to take any temporary caregiver benefits received, concurrently, with any leave taken pursuant to
23 the federal Family and Medical Leave Act and/or the Rhode Island parental and family medical
24 leave act.

25 (i) Temporary caregiver benefits shall be in accordance with the federal Family and
26 Medical Leave Act (FMLA), Pub. L. No. 103-3 and the Rhode Island parental and family medical
27 leave act in accordance with § 28-48-1 et seq. An employer may require an employee who is entitled
28 to leave under the federal Family and Medical Leave Act, Pub. L. No. 103-3 and/or the Rhode
29 Island parental and family medical leave act, § 28-48-1 et seq., who exercises their right to benefits
30 under the temporary caregiver insurance program under this chapter, to take any temporary
31 caregiver benefits received, concurrently, with any leave taken pursuant to the federal Family and
32 Medical Leave Act and/or the Rhode Island parental and family medical leave act.

33 SECTION 3. This act shall take effect January 1, 2026.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO LABOR AND LABOR RELATIONS -- TEMPORARY DISABILITY
INSURANCE --CONTRIBUTIONS

- 1 This act would increase the taxable wage base for temporary disability insurance claims
2 from thirty-eight thousand dollars (\$38,000) to one hundred thousand dollars (\$100,000) or the
3 annual earnings needed by an individual to qualify for the maximum weekly benefit amount and
4 the maximum duration under chapters 39 through 41 of this title. This act would also increase the
5 percent of wages used in the base period to determine an individual's weekly benefit amount and
6 would amend the duration period of caregiver benefits for the years 2027, 2028 and beyond.
- 7 This act would take effect January 1, 2026.

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