



NOTICE TO CITY EMPLOYEES OF THE CITY COUNCIL'S VOTE TO DECLINE PARTICIPATION IN THE PAID FAMILY AND MEDICAL LEAVE INSURANCE ACT ("FAMLI ACT")

Notice is hereby given to City of Lamar Employees that the City Council vote was held on June 27, 2022, at City Hall which the City Council voted to decline participation in the FAMLI Act. See Resolution **22-06-02**. This notice explains how the vote affects City employees' rights and benefits.

Employees May Still Opt-In to FAMLI on Their Own

Even though the City has opted out of the program, a City employee may individually opt into the program by contacting the FAMLI Division at CDLE_FAMLI_info@state.co.us.

PLEASE NOTE: Any City employee who chooses to opt into the program will be responsible to remit premiums directly to the State of Colorado. The City will not be deducting the premium from paychecks or handling any related reporting. See <https://famli.colorado.gov/> for more information.

The following information describes the state FAMLI program and the City's responsibility regarding the program, as well as a comparison of the program with existing City benefits.

FAMLI PROGRAM

1. **WHY?** The FAMLI program was created because of Colorado voters' approval of Proposition 118 in 2020, which is to ensure all Colorado workers have access to paid leave to care for themselves or their family during life circumstances that pull them away from their jobs.
2. **WHAT?** FAMLI is a paid leave program for Colorado workers.
3. **WHEN?** FAMLI will start providing benefits to employees beginning January 1, 2024.
4. **COST?** Premiums for the program will begin on January 1, 2023.
 - a. The premium for this insurance is 0.9% of an employee's wage.
 - b. Employers and employees share in premiums for the program, with the employee contributing up to 50% of the premium.

5. **WHO IS THE BENEFIT FOR?** Eligible employees who need to take time away from work to:
 - a. Care for a new child, including adopted and fostered children
 - b. Care for themselves, if they have a serious health condition
 - c. Care for a family member's serious health condition
 - d. Plan for a family member's military deployment
 - e. Address the immediate safety needs and impact of domestic violence and/or sexual assault

6. **WHAT IS THE BENEFIT?** Most employees are eligible to receive up to 12 weeks of paid leave. Those who experience pregnancy or childbirth complications may receive an additional 4 weeks. The weekly benefit is capped at \$1,100 per week. The state's website for the FAMLI program has a Premium and Benefits calculator that you can check out.

CITY OPT OUT JUSTIFICATION

The City provides eligible employees up to 12 weeks of unpaid, job-protected leave in any 12-month period for certain family and medical reasons.

1. **Bottom line up front.** Existing City leave and disability insurance benefits, including the cost of providing those benefits exceed the benefit and are less than the cost of participating in FAMLI. Therefore, the recommendation to City Council was to opt out of the state's FAMLI Program.

2. State law **allows local governments to opt out** of the FAMLI Program.
 - a. The City Council must vote to decline participation in one of the following ways:
 - i. Decline all participation for the employer and employees. If the City Council votes for this option, employees may still sign up for FAMLI through the state.
 - b. The vote must be revisited every 8 years.
 - c. Employees must be notified of Council's vote within 30 days.
 - d. After opting out, the City could decide to opt in later. Upon opting in, the City must participate in the program for at least 3 years. The same 3-year commitment is required of employees who opt in on their own.

3. **Short-term disability (STD) insurance:** The City provides STD insurance that will pay a weekly benefit to an employee who is unable to work due to sickness or injury (subject to the terms of the STD Policy).
 - a. Following a 14 consecutive day elimination period, the benefit will pay 60% of the employee's weekly wage up to \$1,500 per week (FAMLI weekly max is \$1,100 and the percentage amount varies).
 - b. STD insurance provides 12 weeks of the weekly benefit (same as FAMLI).
 - c. The City pays 100% of the cost for STD insurance (FAMLI allows for the premium to be split up to 50/50).
 - d. The premium cost for STD insurance is lower than the FAMLI premium.

- e. The City also pays 100% of the cost for long-term disability (LTD) insurance, which extends the disability benefit well beyond the 12 weeks. LTD = 60% of monthly earnings.
- 4. Sick leave benefit: Employees are granted 80 hours (10 days) of paid sick leave per year. The annual benefit is large enough to cover the short-term disability insurance elimination period of 14 days.
- 5. Vacation leave benefit: Employees could also use vacation leave to cover extended absences. The total vacation amounts vary depending on the number of years employed from 10 days up to 21 days.
- 6. Banked Leave: Nearly 50% of employees also have some banked leave hours that can also be used towards their extended leave.

More Contact Information:

The website for employees to begin the process of opting into the program may be found at: Famli.colorado.gov.

The Colorado Department of Labor and Employment may be reached at:

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