

117TH CONGRESS  
1ST SESSION

# H. R. 5161

To expand small employer pooling options to provide paid family and medical leave.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 3, 2021

Mr. FERGUSON introduced the following bill; which was referred to the Committee on Education and Labor, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To expand small employer pooling options to provide paid family and medical leave.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Expanding Small Em-  
5 ployer Pooling Options for Paid Family Leave Act of  
6 2021”.

1 **SEC. 2. EXPAND SMALL EMPLOYER POOLING OPTIONS FOR**  
2 **PAID FAMILY AND MEDICAL LEAVE.**

3 (a) AMENDMENT TO EMPLOYEE RETIREMENT IN-  
4 COME SECURITY ACT OF 1974.—

5 (1) IN GENERAL.—Section 3(40)(A) of the Em-  
6 ployee Retirement Income Security Act of 1974 (29  
7 U.S.C. 1002(40)(A)) is amended by inserting “,  
8 which, for the purposes of this paragraph, may in-  
9 clude paid family and medical leave benefits,” after  
10 “paragraph (1)”.

11 (2) EFFECTIVE DATE.—The amendment made  
12 by paragraph (1) shall take effect on the date that  
13 is 90 days after the date of enactment of this Act.

14 (3) REGULATIONS.—The Secretary of Labor  
15 shall, in coordination with the issuance of regula-  
16 tions by the Secretary of the Treasury pursuant to  
17 subsection (b)(3), issue regulations to implement  
18 and ensure compliance with the amendment made by  
19 paragraph (1) to ensure consistency and parity in  
20 the treatment of paid family medical leave benefits  
21 across Federal agencies.

22 (b) AMENDMENT TO INTERNAL REVENUE CODE OF  
23 1986.—

24 (1) IN GENERAL.—Section 501(c)(9) of the In-  
25 ternal Revenue Code of 1986 is amended by insert-

1       ing “disability, paid family and medical leave,” after  
2       “life, sick, accident,”.

3           (2) EFFECTIVE DATE.—The amendment made  
4       by paragraph (1) shall apply after the date that is  
5       90 days after the date of enactment of this Act, in  
6       taxable years ending after such date.

7           (3) REGULATIONS.—The Secretary of the  
8       Treasury shall, in coordination with the issuance of  
9       regulations by the Secretary of Labor pursuant to  
10      subsection (a)(3), issue regulations to implement  
11      and ensure compliance with the amendment made by  
12      paragraph (1) to ensure consistency and parity in  
13      the treatment of paid family medical leave benefits  
14      across Federal agencies.

15      (c) REPORT.—Not later than 120 days after the date  
16      of enactment of this Act, the Secretary of Labor and the  
17      Secretary of the Treasury shall jointly submit a report to  
18      the Committee on Education and Labor and the Com-  
19      mittee on Ways and Means of the House of Representa-  
20      tives with recommendations describing—

21           (1) statutory or regulatory changes needed to  
22      facilitate multi-employer and small business pooling  
23      and cost-sharing, such as through multiple employer  
24      welfare arrangements, for the purpose of providing  
25      paid family and medical leave benefits, including

1 through the use of short-term disability insurance,  
2 to the employees of two or more employers; and

3 (2) statutory or regulatory changes necessary to  
4 allow employers to implement the actions described  
5 in paragraph (1) through a tax exempt trust, such  
6 as a voluntary employee benefits association, or  
7 other mechanism.

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