

2015 Regular Session

HOUSE BILL NO. 703

BY REPRESENTATIVE MORENO

TAX: Provides relative to payroll taxes authorized to finance benefits for the La. Family and Medical Leave Account Fund

1 AN ACT

2 To enact Chapter 6-B of Title 23 of the Louisiana Revised Statutes of 1950, to be comprised  
3 of R.S. 23:670 and 671, relative to the payment of family and medical leave benefits;  
4 to authorize payroll taxes to finance the payment of benefits; to provide for the  
5 method of calculation; to provide for the collection; to provide for effectiveness; and  
6 to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 6-B of Title 23 of the Louisiana Revised Statutes of 1950,  
9 comprised of R.S. 23:670 and 671, is hereby enacted to read as follows:

10 §670. Payroll taxes

11 Payroll taxes are hereby authorized in order to finance the payment of family  
12 medical leave benefits pursuant to the Louisiana Family and Medical Leave Benefits  
13 Act.

14 §671. Rate of contributions; deposit into fund

15 A. Payroll taxes for family and medical leave insurance benefits shall be paid  
16 fifty percent by the employer and fifty percent by the employee and shall otherwise  
17 be calculated and withheld in the same manner and in the same amounts as provide  
18 for in Part III of Chapter 11 of Title 23 of the Louisiana Revised Statutes of 1950.

19 B. All payroll taxes collected pursuant to this Chapter shall be deposited into  
20 the Louisiana Family and Medical Leave Account Fund.

1 Section 2. The Louisiana Workforce Commission shall promulgate all rules and  
2 forms necessary for the implementation of this Act by January 1, 2016.

3 Section 3. Employers shall begin to collect payroll taxes pursuant to this Act on  
4 January 1, 2016 and applications may be made by employees for the receipt of family and  
5 medical leave benefits on or after January 1, 2017.

6 Section 4. This Act shall become effective upon signature by the governor or, if not  
7 signed by the governor, upon expiration of the time for bills to become law without signature  
8 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
9 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
10 effective on the day following such approval.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 703 Original

2015 Regular Session

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**Abstract:** Creates a payroll tax to fund family and medical leave benefits.

Proposed law creates a payroll tax to fund family and medical leave benefits and requires that half of the tax be paid by the employer and half be paid by the employee.

Proposed law requires that the amount of payroll taxes to be paid be calculated in the same manner as present law, the unemployment insurance statutes.

Proposed law requires that when the payroll taxes are collected, they are to be deposited into the Louisiana Family and Medical Leave Account Fund.

Proposed law requires that all rules and forms promulgated by LWC shall be complete and the collection of payroll taxes shall begin by Jan. 1, 2016.

Proposed law provides that on or after Jan. 1, 2017, applications may be made for payment of benefits.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 23:670 and 671)