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[HF 2557](#) – State Employee Paid Parental Leave (LSB5029HV)  
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Fiscal Note Version – New

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## **Description**

[House File 2557](#) provides four weeks of paid leave to a State employee parent who gives birth or adopts a child. A State employee parent of a nonadopted child who did not give birth will be entitled to one week of paid leave. The Department of Administrative Services (DAS) is required to adopt administrative rules to implement the paid parental leave benefits.

## **Background**

To qualify for the benefits established by the Bill, employees must meet the eligibility requirements established by the federal [Family and Medical Leave Act of 1993 \(FMLA\)](#). These requirements include working for a covered employer for at least 12 months, having at least 1,250 hours of service with the employer during the 12 months before FMLA leave starts, and working at a location where the employer has at least 50 employees within 75 miles. FMLA leave is job-protected, unpaid leave. Employees may use accrued paid leave at the same time that they take FMLA leave. FMLA leave covers both the birth of a child and the placement of a child with a State employee for adoption.

Leave can be taken any time in the 12 months following the birth or adoption of a child. The State of Iowa allows up to 12 weeks of leave (paid or unpaid) for the birth or adoption of a child.

## **Assumptions**

- State employee counts, age stratification, and salary costs are based on State of Iowa Central Payroll data.
- Birth rates are based on the [Centers for Disease Control and Prevention \(CDC\) National Vital Statistics Reports](#) for 2021.
- Birth rates for men and women of the same age are assumed to be the same.
- The number of employees and salary costs are based on July 1, 2022, data.
- Leave value is based on biweekly salaries for each individual, conglomerated by branch and age. Leave value is estimated to increase by 2.0% each year.
- Adoptions are not included for the purposes of this estimate.
- The data excludes the following employee groups: temporary, seasonal, interns, Senators, Representatives, magistrates, board members, and clients/patients.
- The data excludes the State Fair Authority.
- It is not possible to know how the proposed new leave will change leave use.
- It is unknown how agencies will cover for the person taking the new leave. An agency could cover for the employee on leave by using overtime work, using part-time workers, or having no coverage.

### **Fiscal Impact**

The fiscal impact for HF 2557 cannot be determined, as increased use of employee leave may not result in increased expenditures for State agencies. The estimated value of the new leave potentially used by State employees is approximately \$4.8 million per year from all funding sources.

### **Sources**

Board of Regents  
Department of Administrative Services  
Department of Corrections  
Department of Transportation  
Legislative Services Agency calculations

/s/ Jennifer Acton

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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