

# **Fiscal Note**



Fiscal Services Division

<u>SF 2243</u> – Prenatal Appointments, Employee Paid Leave (LSB5377SV) Analyst: Ron Robinson (Phone: 515-281-6256) (<u>ron.robinson@legis.iowa.gov</u>) Fiscal Note Version – New

# **Description**

Senate File 2243 provides for employment leave for prenatal appointments and establishes penalties. The bill requires an employer to compensate an employee using prenatal leave at the same rate and with the same benefits as the employee would earn working regular hours. An employee is eligible for the leave on the first day of employment. The bill applies to an employer that employs 50 or more persons for wages in the state when the employee works at least 12 hours a week. The prenatal appointment leave is in addition to any other paid sick leave offered by the employer. An employer cannot require an employee to take any other leave prior to using prenatal appointment leave. An employer that violates this requirement is subject to a civil penalty of not more than \$500 for each violation. The bill provides administrative and judicial processes for imposing and recovering such penalties.

## **Assumptions**

- <u>SF 2243</u> will not require any additional significant expenditure by the Department of Workforce Development.
- No significant amount of civil penalties will be collected.

### **Fiscal Impact**

While it is anticipated that costs to state and local governments will increase to cover the additional time off for prenatal appointment leave, information is not available to determine the extent of the increased costs.

As an example of potential cost, Iowa State University estimates that on average, each employee using all 40 hours of prenatal appointment leave will cost on average an estimated \$1,400 each. Iowa State University also estimates that an average of 61 employees will use the leave each year at an annual total cost of approximately \$85,000 from all sources.

### Sources

Board of Regents Department of Workforce Development Iowa Association of School Boards Department of Administrative Services

 /s/ Holly M. Lyons
February 29, 2016

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the lowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the LSA upon request.