

# **Fiscal Note**



Fiscal Services Division

<u>SF 2252</u> – Pregnancy and Childbirth, Reasonable Employment Accommodations (LSB1196SZ) Analyst: Laura Book (Phone: (515) 725-0509) (<u>laura.book@legis.iowa.gov</u>) Fiscal Note Version – New

## **Description**

Senate File 2252 prohibits an employer from denying a reasonable accommodation in the terms, conditions, or privileges of employment to a job applicant or employee based on the employee's or applicant's pregnancy, childbirth, or related medical condition upon request, unless the employer can demonstrate that providing the accommodation will impose an undue hardship on the employer. The bill adds the requirement for an employer to provide an employee a private, secure, and sanitary space and break time to express breast milk for a nursing child.

SF 2252 requires the lowa Civil Rights Commission (ICRC) to develop a form for employers to post for their new and current employees informing them of their right to be free from discrimination in relation to pregnancy, childbirth, or a related medical condition. The bill also requires the ICRC to develop courses of instruction and conduct ongoing public education efforts as necessary to inform employers, employees, employment agencies, and job applicants regarding their rights and responsibilities under the bill.

## **Background**

Prior to the Iowa Supreme Court's decision in <u>McQuistion v. City of Clinton</u> (2015), the ICRC interpreted and enforced Iowa Code <u>chapter 216</u> as requiring employers to reasonably accomodate pregnancy. The bill codifies and reinstates the requirement that was previously enforced by the ICRC and adds extra reasonable accommodation and undue burden language to Iowa Code chapter 216, as well as new requirements for employers and the ICRC.

SF 2252 adds language requiring an employer to reasonably accommodate lactation or the need of an employee to express breast milk for a nursing child. This will be a new requirement for the ICRC to enforce. While not necessarily a conflict, employers in lowa are already required by federal law to provide break time for a lactating employee to express milk in a clean location.

29 U.S.C. §207(r).

### **Assumptions**

To enforce the new provisions and carry out the requirements, the ICRC estimates it will need to:

- Hire two Civil Rights Specialists to enforce the added responsibilities of the bill. This is
  necessary to complete the public outreach and education requirements, but also includes
  the added enforcement responsibilities. The ICRC is currently authorized for 28.0 full-time
  equivalent (FTE) positions, but only has funds to fill 26.0 FTE positions due to budget
  constraints. Ideally, the ICRC would like to be fully staffed and add 2.0 FTEs to enforce the
  provisions of this bill.
- Provide support funding for the public education programs required by the bill. The funding would cover print materials, travel costs, and possible fees for advertising the public education sessions.
- The fiscal estimate assumes that the staff is hired and the trainings are started by September 2016.

## **Fiscal Impact**

<u>SF 2252</u> will have a fiscal impact on the ICRC and result in increased General Fund expenditures. As noted above, the ICRC previously enforced lowa Code chapter 216 as requiring employers to reasonably accommodate pregnancy. As a result, the bill's reasonable accommodation requirement would not increase enforcement costs. However, the ICRC may see an increase in complaints due to the new requirement for an employer to reasonably accommodate lactaiton or the need to express breast milk for a nursing child.

The ICRC will incur additional costs for the training and public outreach requirements of the bill. It is not clear whether the training will be on demand or if the ICRC will be required to reach out to employers and require training. If the ICRC is required to reach out to employers, the ICRC estimates this could result in the need for at least one more staff person dedicated to such training efforts. The ICRC also estimates it will need additional funds to cover support costs of the public outreach program.

The table below summarizes the estimated expenditures.

|   |          |         |           |        | 10 Months |         |         |         |  |
|---|----------|---------|-----------|--------|-----------|---------|---------|---------|--|
| Description                                     | Per Year |         | Per Month |        | FY 2017   |         | FY 2018 |         |  |
| Civil Right Specialists (2)                     | \$       | 210,000 | \$        | 17,500 | \$        | 175,000 | \$      | 210,000 |  |
| Support*  |          | 20,000  |           | 1,667  |           | 16,667  |         | 20,000  |  |
| Total expenditures:                             |          |         |           |        | \$        | 191,667 | \$      | 230,000 |  |
| * includes travel, print materials, advertising |          |         |           |        |           |         |         |         |  |

#### **Source**

Iowa Civil Rights Commission

/s/ Holly M. Lyons

March 1, 2016

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> 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.