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**HF 578** – State Employee Paid Parental Leave Benefit (LSB2194HV)  
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Fiscal Note Version – New

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## **Description**

[House File 578](#) 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](#) (FMLA) of 1993. 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.

The State of Iowa allows up to 12 weeks of leave (paid or unpaid) for an employee's pregnancy and the subsequent recovery.

## **Assumptions**

- Leave can be taken up to 12 months following the birth or adoption of a child.
- State employee counts, age stratification, and salary costs are based on State of Iowa Central Payroll data.
- Birth rates are based on the [CDC National Center for Health Statistics Crude Birth Rates](#) reported in 2019.
- The number of employees is based on July 1, 2022, data.
- Leave value is based on biweekly salaries for each individual, conglomerated by branch and age.
- Adoptions are not included for 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 utilization.
- It is unknown if the proposed new leave will result in employees taking additional leave.
- It is unknown how agencies will cover for the person out on the new leave. An agency could cover for the employee on leave by utilizing overtime work, part-time workers, or no coverage.

**Fiscal Impact**

The fiscal impact for HF 578 cannot be determined, since any change in employee leave utilization and the actions of the agencies are unknown. However, the estimated value of the new leave is \$4.8 million from all funding sources.

**Sources**

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

/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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