

# LEGAL UPDATE



## NEW COLORADO FAMLI RULES INCLUDE EMPLOYER PENALTIES

The Colorado Department of Labor and Employment recently issued [rules](#) addressing the coordination of benefits and reimbursement of advance payments under the state family and medical leave insurance program, "FAMLI." The rules address the interplay between FAMLI benefits and other leave benefits, such as workers' compensation, unemployment and employer-provided paid leave. Importantly, the rules establish a penalty structure for employer violations. The rules take effect Jan. 1, 2025.

### FAMLI

FAMLI was passed in 2020 as a ballot measure. On Jan. 1, 2024, the program, funded by employer and employee contributions, began providing 12 weeks of paid leave per year for employees to:

- + Bond with a new child;
- + Care for their own serious health condition;
- + Care for a family member with a serious health condition;
- + Make arrangements for a family member's military deployment; and
- + Address the immediate safety needs and impact of domestic violence and sexual assault.

### COORDINATION OF BENEFITS RULES

During the course of the FAMLI rollout, the department has issued sets of regulations addressing different aspects of the program. The new rules for the coordination of benefits set forth the following penalties for specific employer violations:

- + \$50 per employee per day for violating provisions concerning receipt of FAMLI benefits and employer-provided paid leave;
- + \$500 per employee per day for failing to maintain health care benefits during FAMLI leave; and
- + \$500 per violation of provisions about FAMLI benefits, short-term disability benefits, long-term disability benefits, and benefits from a separate bank of time off solely for the purpose of paid family and medical leave.

*The new rules address the coordination of FAMLI with other benefits and establish penalties for violations.*

### EMPLOYER PENALTIES

#### \$50 Per Employee Per Day

Violations concerning FAMLI and employer-paid leave.

#### \$500 Per Employee Per Day

Violations of the requirement to continue health care benefits.

#### \$500 Per Violation

Violations of the requirements for the coordination of FAMLI benefits, short-term disability benefits, long-term disability benefits, and time off solely for the purpose of paid family and medical leave.

