

# HOUSE . . . . . No. 90

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## The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court  
(2021-2022)

SENATE, March 18, 2021.

The committee on Senate Ways and Means to whom was referred the House Bill financing a program for improvements to the Unemployment Insurance Trust Fund and providing relief to employers and workers in the Commonwealth (House, No. 90); reports, recommending that the same ought to pass with an amendment striking out all after the enacting clause and inserting in place thereof the text of Senate document numbered 35. (Net State Cost: \$351,000,000.00)

For the committee,  
Michael J. Rodrigues

**HOUSE . . . . . No. 90**

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House bill No. 89, as amended and passed to be engrossed by the House. March 11, 2021.

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**The Commonwealth of Massachusetts**

\_\_\_\_\_  
**In the One Hundred and Ninety-Second General Court  
(2021-2022)**  
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An Act financing a program for improvements to the Unemployment Insurance Trust Fund and providing relief to employers and workers in the Commonwealth.

*Whereas*, The deferred operation of this act would tend to defeat its purpose, which is to immediately begin to restore solvency to the Unemployment Insurance Trust Fund, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. To provide for a program for improvements to the Unemployment  
2 Insurance Trust Fund and relief to employers in the commonwealth, the sum set forth in section  
3 2, for the several purposes and subject to the conditions specified in this act, is hereby made  
4 available, subject to the laws regulating the disbursement of public funds. The sum set forth in  
5 section 2 shall be in addition to any amounts previously authorized and made available for these  
6 purposes.

7           SECTION 2.

8           EXECUTIVE OFFICE FOR LABOR AND WORKFORCE DEVELOPMENT

9           Office of the Secretary

10           7003-2025 For the program to reduce the amount of, or avoid the need to obtain, a  
11 federal advance from the federal government or to repay federal advances made to the  
12 commonwealth from the federal unemployment account for the fiscal years 2020 to 2025,  
13 inclusive, and to fund any reserve account, costs of issuance, and capitalized interest, if any,  
14 related to bonds issued for such purposes and the initial costs established pursuant to section 19  
15 of this act and expenses of the administration of said program; provided, that the aggregate  
16 principal amount shall not exceed the total amount authorized in this  
17 item.....\$7,000,000,000.

18           SECTION 3. Paragraph (2) of subsection (a) of section 2 of chapter 62 of the General  
19 Laws, as appearing in the 2018 Official Edition, is hereby amended by adding the following  
20 subparagraph:-

21           (R) An amount which, but for this section, would be included in the gross income for  
22 taxable year 2020, in whole or in part, of an eligible recipient, as described in subsection (a) of  
23 section 1102 of the federal Coronavirus Aid, Relief, and Economic Security Act of 2020, Public  
24 Law 116-136, because of the forgiveness described in subsection (b) of section 1106 of said act.

25           SECTION 4. Section 6 of said chapter 62 is hereby amended by adding the following  
26 subsection:-

27           (x) (1) As used in this subsection, “unemployment compensation”, shall, unless the  
28 context clearly requires otherwise, mean unemployment compensation included in gross income  
29 pursuant to section 2 and as defined under section 85 of the Code, including, but not limited to,  
30 benefits received under chapter 151A, or other unemployment compensation authorized by  
31 federal law, including, but not limited to, the federal Federal-State Extended Unemployment

32 Compensation Act of 1970, the federal Coronavirus Aid, Relief and Economic Security Act of  
33 2020, the federal Continued Assistance for Unemployed Workers Act of 2020, the federal Lost  
34 Wages Assistance program or any amendments to those acts.

35 (2) For taxable years 2020 and 2021, a taxpayer shall be allowed a credit against the  
36 taxes imposed by this chapter in each taxable year if: (i) the taxpayer qualified for and received  
37 unemployment compensation; and (ii) the taxpayer's household income for the taxable year does  
38 not exceed 200 per cent of the federal poverty level as calculated by the United States  
39 Department of Health and Human Services. The allowable credit shall be equal to 5 per cent of  
40 unemployment compensation received by the taxpayer and included in the taxpayer's gross  
41 income for the taxable year pursuant to section 2. If the amount of the credit allowed under this  
42 subsection exceeds the taxpayer's tax liability, the commissioner shall treat the excess as an  
43 overpayment and shall pay the taxpayer the entire amount of the excess without interest.

44 (3) The total amount of credits that may be authorized in taxable year 2020 shall not  
45 exceed \$30,000,000; provided, however, that when the total amount of credits authorized in  
46 taxable year 2020 equals \$20,000,000, the commissioner shall provide written notice to the  
47 house and senate committees on ways and means.

48 (4) The total amount of credits that may be authorized in taxable year 2021 shall not  
49 exceed \$20,000,000.

50 (5) The commissioner shall file a report with the house and senate committees on ways  
51 and means and the chairs of the joint committee on revenue identifying the total amount of  
52 credits claimed pursuant to this subsection for taxable year 2020 not later than September 1,  
53 2021 and for taxable year 2021 not later than September 1, 2022.

54 (6) The commissioner may promulgate regulations or guidance to implement this  
55 subsection.

56 SECTION 5. Chapter 151A of the General Laws is hereby amended by inserting after  
57 section 14J the following section:-

58 Section 14J1/2. For the period from January 1, 2021 until December 31, 2022, each  
59 employer required to make contributions pursuant to section 14 shall pay an excise on the wages  
60 paid to its employees in accordance with the following table:

61	Employer Account		
62	Reserve Percentages	Contribution Rate	Excise Rate
63	Positive Percentage		
64	17 or more	0.94	0.100
65	16.0 but less than 17.0	1.08	0.115
66	15.0 but less than 16.0	1.21	0.130
67	14.0 but less than 15.0	1.34	0.145
68	13.5 but less than 14.0	1.61	0.160
69	13.0 but less than 13.5	1.75	0.175
70	12.5 but less than 13.0	1.89	0.190
71	12.0 but less than 12.5	2.01	0.205

72	11.5 but less than 12.0	2.15	0.220
73	11.0 but less than 11.5	2.29	0.235
74	10.5 but less than 11.0	2.42	0.250
75	10.0 but less than 10.5	2.56	0.265
76	9.5 but less than 10.0	2.69	0.280
77	9.0 but less than 9.5	2.82	0.295
78	8.5 but less than 9.0	2.96	0.310
79	8.0 but less than 8.5	3.09	0.325
80	7.5 but less than 8.0	3.23	0.340
81	7.0 but less than 7.5	3.37	0.355
82	6.5 but less than 7.0	3.50	0.370
83	6.0 but less than 6.5	3.63	0.385
84	5.5 but less than 6.0	3.76	0.400
85	5.0 but less than 5.5	3.90	0.415
86	4.5 but less than 5.0	4.04	0.430
87	4.0 but less than 4.5	4.17	0.445
88	3.5 but less than 4.0	4.30	0.460

89	3.0 but less than 3.5	4.44	0.475
90	2.5 but less than 3.0	4.57	0.490
91	2.0 but less than 2.5	4.71	0.505
92	1.5 but less than 2.0	4.84	0.520
93	1.0 but less than 1.5	4.98	0.535
94	0.5 but less than 1.0	5.11	0.550
95	0.0 but less than .5	5.24	0.565
96	Negative Percentage		
97	0.0 but less than 1.0	7.03	0.580
98	1.0 but less than 3.0	7.64	0.595
99	3.0 but less than 5.0	8.26	0.610
100	5.0 but less than 7.0	8.86	0.625
101	7.0 but less than 9.0	9.48	0.640
102	9.0 but less than 11.0	10.09	0.655
103	11.0 but less than 13.0	10.70	0.670
104	13.0 but less than 15.0	11.31	0.685
105	15.0 but less than 17.0	11.93	0.700

106	17.0 but less than 19.0	12.53	0.715
107	19.0 but less than 21.0	13.15	0.730
108	21.0 but less than 23.0	13.76	0.745
109	23.0 or more	14.37	0.760

110 For the purpose of this section, the term “wages” shall include only that part of  
111 remuneration on which the employer is required to make contributions pursuant to section 14.  
112 Such excise shall be paid to the commissioner in accordance with the procedures prescribed by  
113 the commissioner. The commissioner shall deposit the receipts of such excise into the Federal  
114 Loan Interest Fund established in section 14K. Such receipts shall not be subject to the allowable  
115 state tax revenue limitations established in chapter 62F. Prior to the depositing of the receipts,  
116 the commissioner may deduct all administrative costs incurred as a result of this section,  
117 including an amount as determined by the United States Secretary of Labor in accordance with  
118 federal cost rules, if applicable.

119 Except where inconsistent with the terms of this section, the terms and conditions of this  
120 chapter which are applicable to the payment of and the collection of contributions pursuant to  
121 section 14 shall apply to the payment of and the collection of said excise; provided, however,  
122 that said excise shall not be credited to the employer’s account or to the solvency account  
123 established pursuant to section 14 except as otherwise provided in section 14K.

124 The commissioner, after providing not less than 60 days’ written notice to the chairs of  
125 the house and senate committees on ways and means and the chairs of the joint committee on  
126 labor and workforce development, may adjust the excise rate specified in this section to pay



127 interest required to be paid to the Federal Loan Interest Fund established by section 14K. The  
128 notice shall include, but not be limited to: (i) the proposed adjusted excise rate; (ii) the estimated  
129 amount of funds that will be raised by the adjusted excise rate; (iii) the rationale for adjusting the  
130 excise rate; (iv) the balance of the Federal Loan Interest Fund established by section 14K; and  
131 (v) the estimated amount of interest required to be paid under section 1202(b) of the Social  
132 Security Act.

133 SECTION 6. Said chapter 151A is hereby further amended by striking out section 14K  
134 and inserting in place thereof the following section:-

135 Section 14K. There is hereby established a separate fund to be known as the Federal Loan  
136 Interest Fund which shall be administered by the commissioner, without liability on the part of  
137 the commonwealth beyond the amount credited to and earned by the fund. Said fund shall consist  
138 of all amounts received under section 14J1/2, which shall be credited to such fund, except as  
139 otherwise provided in said section 14J1/2 and any other monies authorized by law to be credited  
140 to said fund. The monies credited to said fund shall be used only for the payment of interest  
141 required to be paid under section 1202(b) of the Social Security Act. The monies in said fund  
142 shall be continuously available to the commissioner for the payment of said interest without  
143 further appropriation and shall not lapse at any time or be transferred to any other fund or  
144 account except as provided in this section. On September 30 of each calendar year, the  
145 commissioner shall transfer from said fund to the Unemployment Compensation Fund any  
146 amounts deposited therein pursuant to section 14J1/2 prior to the immediately preceding 36  
147 month period which have not been expended for the payment of interest. The commissioner shall  
148 credit such amounts transferred to the solvency account pursuant to paragraph (1) of subsection  
149 (e) of section 14 as of October 1 of said calendar year.

150 SECTION 7. Paragraph (b) of subsection (1) of section 30A of said chapter 151A, as  
151 appearing in section 8 of chapter 201 of the acts of 2020, is hereby amended by striking out  
152 subparagraph (2) and inserting in place thereof the following subparagraph:-

153 (2) There shall be a state “off” indicator for the commonwealth for the purposes of this  
154 paragraph for weeks of unemployment if at any time the provisions of subparagraph (1) are not  
155 met or 100 per cent federal sharing is not available under section 4105 of the federal Families  
156 First Coronavirus Response Act, Public Law 116-127, hereinafter the “Families First Act”, or  
157 any subsequent amendment to the Families First Act, or other federal law and the funding is  
158 sufficient to meet the requirements of this subparagraph, including, but not limited to the federal  
159 Continued Assistance for Unemployed Workers Act of 2020.

160 SECTION 8. Paragraph (c) of said subsection 1 of said section 30A of said chapter 151A,  
161 as so appearing, is hereby amended by striking out subparagraph (3) and inserting in place  
162 thereof the following 2 subparagraphs:-

163 (3) There shall be a state “off” indicator for the purposes of this paragraph for weeks of  
164 unemployment if at any time the provisions of subparagraph (1) are not met or 100 per cent  
165 federal sharing is not available under section 4105 of the Families First Act, or any subsequent  
166 amendment to the Families First Act, or other federal law and the funding is sufficient to meet  
167 the requirements of this subparagraph, including, but not limited to, the federal Continued  
168 Assistance for Unemployed Workers Act of 2020.

169 (4) With respect to determining whether the state is in an extended benefit period from  
170 November 1, 2020 to December 31, 2021, inclusive, the commonwealth shall disregard the

171 requirement of paragraph (a) that no extended benefit period may begin before the 14th week  
172 following the end of a prior extended benefit period which was in effect.

173 SECTION 9. Section 50 of chapter 201 of the acts of 2020 is hereby amended by striking  
174 out the words “June 30” and inserting in place thereof the following words:- December 31.

175 SECTION 10. Notwithstanding chapter 62C of the General Laws or any other general or  
176 special law to the contrary, in order to address disruptions caused by the outbreak of the 2019  
177 novel coronavirus, also known as COVID-19, and the effects of the governor’s March 10, 2020  
178 declaration of a state of emergency, for taxable year 2020, no tax penalty shall be imposed by the  
179 commissioner of revenue on a taxpayer solely for failure to remit taxes imposed by chapter 62 of  
180 the General Laws on unemployment compensation, as defined in section 85 of the Internal  
181 Revenue Code, received by a taxpayer during taxable year 2020; provided, however, if such  
182 penalty has been assessed, it shall be abated by the commissioner of revenue in whole.

183 SECTION 11. Notwithstanding section 14 of chapter 151A of the General Laws, for  
184 calendar years 2021 and 2022, the experience rate of an employer qualifying under subsection  
185 (b) of said section 14 of said chapter 151A shall be the rate which appears in column “E” of  
186 paragraph (1) of subsection (i) of said section 14 of said chapter 151A.

187 SECTION 12. Notwithstanding any federal interest charges for necessary federal  
188 advances, the commissioner, as defined in subsection (e 1/2) of section 1 of chapter 151A of the  
189 General Laws, may pursue any necessary federal advances to provide for timely payment of  
190 benefits. Nothing in this act shall contribute to or allow for a reduction in benefits including, but  
191 not limited to, the amount or length of benefits, pursuant to said chapter 151A.

192 SECTION 13. The following definitions shall apply to sections 13 to 16, inclusive, and  
193 shall have the following meanings, unless the context clearly requires otherwise:

194 “Child”, a biological, adopted or foster child, a stepchild or legal ward, a child to whom  
195 the employee stands in loco parentis, or a person to whom the employee stood in loco parentis  
196 when the person was a minor child.

197 “COVID-19 emergency paid sick leave”, paid time-off that is compensated by an  
198 employer, and with the same employment benefits to which the employee is entitled from such  
199 employer as a term of the employee’s employment, for the purposes described in subsection (b)  
200 of section 15; provided, however, that in no case shall the employee’s hourly compensation be  
201 less than that provided under section 1 of chapter 151 of the General Laws.

202 “Domestic partner”, a person not less than 18 years of age who: (i) is dependent upon the  
203 employee for support as shown by either unilateral dependence or mutual interdependence that is  
204 evidenced by a nexus of factors including, but not limited to: (A) common ownership of real or  
205 personal property; (B) common householding; (C) children in common; (D) signs of intent to  
206 marry; (E) shared budgeting; and (F) the length of the personal relationship with the employee;  
207 or (ii) has registered as the domestic partner of the employee with any registry of domestic  
208 partnerships maintained by the employer of either party, or in any state, county, city, town or  
209 village in the United States.

210 “Employee”, any person who performs services for an employer for wage, remuneration,  
211 or other compensation, including employees employed by the commonwealth, its departments,  
212 sub-divisions, quasi-public agencies, or a municipality, district, political subdivision or its  
213 instrumentalities; provided, however, that notwithstanding any special or general law to the

214 contrary, “employee” shall include a family child care provider, as defined in subsection (a) of  
215 section 17 of chapter 15D of the General Laws, and personal care attendant, as defined in section  
216 70 of chapter 118E of the General Laws.

217 “Employer”, any individual, corporation, partnership or other private or public entity,  
218 including any agent thereof, who engages the services of an employee for wages, remuneration  
219 or other compensation, including, but not limited to, the commonwealth, its departments, sub-  
220 divisions, quasi-public agencies, and a municipality, district, political subdivision or its  
221 instrumentalities; except the United States government shall not be considered an employer;  
222 provided, however, that an individual employer shall be determined by the federal employer  
223 identification number; provided, further, that the department of early education and care shall be  
224 deemed the employer of family child care providers, as defined in subsection (a) of section 17 of  
225 chapter 15D of the General Laws; provided further, that the PCA quality home care workforce  
226 council established in section 71 of chapter 118E of the General Laws shall be the employer of  
227 personal care attendants, as defined in section 70 of said chapter 118E.

228 “Employment benefits”, all benefits provided or made available to employees by an  
229 employer, including, but not limited to, group life insurance, health insurance, disability  
230 insurance, sick leave, annual or vacation leave, educational benefits and pensions.

231 “Family member”, the spouse, domestic partner, child, parent or parent of a spouse or  
232 domestic partner of the employee; a person who stood in loco parentis to the employee when  
233 such employee was a minor child; a grandchild, grandparent or sibling of the employee. For the  
234 purposes of this definition, “person who stood in loco parentis” shall not include a person with  
235 whom the employee has no personal relationship.

236 “Health care provider”, a health care professional licensed under chapter 112 of the  
237 General Laws or any other person licensed under federal or any state law to provide medical care  
238 or emergency medical services and authorized to provide such services in the commonwealth.

239 “Parent”, a biological, adoptive, foster or step-parent of an employee or of an employee’s  
240 spouse or domestic partner; a legal guardian of an employee; or other person who stood in loco  
241 parentis when the employee or employee’s spouse or domestic partner was a minor child.

242 “Spouse”, a person who is married to the employee.

243 “Telework”, a work flexibility arrangement under which an employee performs the duties  
244 and responsibilities of such employee's position, and other authorized activities, from an  
245 approved worksite other than the location from which the employee would otherwise work.

246 SECTION 14. There shall be established a fund known as the COVID-19 Emergency  
247 Paid Sick Leave Fund to be administered by the executive office for administration and finance.  
248 The purpose of the fund shall be to reimburse eligible employers for providing employees with  
249 COVID-19 emergency paid sick leave. There shall be credited to the fund all amounts that are  
250 transferred or authorized to be transferred thereto or directed to be deposited therein, and all  
251 amounts received as gifts, grants, or contributions for the purposes of the fund. Amounts credited  
252 to the fund shall not be subject to appropriation. Any money remaining in the fund as of  
253 September 30, 2021 and not subject to a filed employer reimbursement under section 15, shall  
254 revert to the General Fund; provided, however, that all money in the fund shall revert to the  
255 General Fund not later than November 1, 2021.

256 SECTION 15. (a)(1) Notwithstanding any general or special law to the contrary, as a  
257 result of the outbreak of the 2019 novel coronavirus, also known as COVID-19, as of the

258 effective date of this section, an employer shall provide, subject to section 16, COVID-19  
259 emergency paid sick leave to its employees, pursuant to clause (3), who are absent from and are  
260 unable to work pursuant to subsection (b).

261 (2) The executive office for administration and finance shall reimburse an employer from  
262 the COVID-19 Emergency Paid Sick Leave Fund, established in section 14, for the cost of  
263 providing COVID-19 emergency paid sick leave to an employee; provided, however, that an  
264 employer with fewer than 500 employees at the time said employee used COVID-19 emergency  
265 paid sick leave, the commonwealth, its departments, sub-divisions, quasi-public agencies, or a  
266 municipality, district, political subdivision or its instrumentalities shall not be eligible for  
267 reimbursement from said COVID-19 Emergency Paid Sick Leave Fund.

268 (3) An employer shall provide the following amount of leave for an employee who takes  
269 COVID-19 emergency paid sick leave:

270 (i) an employee who works 40 hours or more per week shall be provided 40 hours of  
271 COVID-19 emergency paid sick leave;

272 (ii) an employee who works less than 40 hours a week, but maintains a regular schedule  
273 with consistent hours per week, shall be provided COVID-19 emergency paid sick leave that is  
274 equal to the number of hours that such employee works per week, on average over a 14-day  
275 period of such regular schedule; or

276 (iii) for an employee whose schedule and weekly hours worked vary from week to week,  
277 such employee shall be provided COVID-19 emergency paid sick leave that: (A) is equal to the  
278 average number of hours that the employee was scheduled to work per week over the 6-month  
279 period immediately preceding the date on which such employee takes the COVID-19 emergency

280 paid sick leave, including hours for which such employee took leave of any type; or (B) if the  
281 employee did not work over such 6-month period, is equal to the reasonable expectation of the  
282 employee at the time of hiring of the average number of hours per week that the employee would  
283 normally be scheduled to work.

284 (4) An employee eligible for COVID-19 emergency paid sick leave shall be eligible for  
285 leave that is compensated by the employer, while maintaining the same employment benefits to  
286 which the employee is entitled as a term of employment by an employer to an employee;  
287 provided, however, that no employee shall receive, and no employer shall be eligible for  
288 reimbursement for such employee, COVID-19 emergency paid sick leave in excess of \$850 per  
289 week.

290 (5) An eligible employer who pays an employee for COVID-19 emergency paid sick  
291 leave shall be reimbursed by the executive office for administration and finance, or any  
292 departments and agencies thereof, in consultation with the department of revenue, from the  
293 COVID-19 Emergency Paid Sick Leave Fund by submitting, in a form prescribed by the  
294 executive office of administration and finance, an application as provided in paragraph (1) of  
295 subsection (e). The executive office shall provide such reimbursements directly to eligible  
296 employers within 30 business days.

297 (6) An employee's COVID-19 emergency paid sick leave shall terminate at the beginning  
298 of the employee's next scheduled work shift immediately following the termination of the need  
299 for COVID-19 emergency paid sick leave under subsection (b).



300 (b) An employer shall provide COVID-19 emergency paid sick leave to an employee for  
301 the following reasons related to the outbreak of the 2019 novel coronavirus, also known as  
302 COVID-19:

303 (1) An employee's need to: (i) self-isolate and care for oneself because of the employee's  
304 COVID-19 diagnosis; (ii) seek or obtain medical diagnosis, care or treatment for COVID-19  
305 symptoms; or (iii) obtain immunization related to COVID-19 or the employee is recovering from  
306 an injury, disability, illness or condition related to such immunization;

307 (2) An employee's need to care for a family member who: (i) is self-isolating due to a  
308 COVID-19 diagnosis; or (ii) needs medical diagnosis, care or treatment for COVID-19  
309 symptoms;

310 (3) A quarantine order, or other determination by a local, state or federal public official, a  
311 health authority having jurisdiction, the employee's employer or a health care provider that the  
312 employee's presence on the job or in the community would jeopardize the health of others  
313 because of the employee's exposure to COVID-19 or exhibiting of symptoms, regardless of  
314 whether the employee has been diagnosed with COVID-19;

315 (4) An employee's need to care for a family member due to a quarantine order, or other  
316 determination by a local, state or federal public official, a health authority having jurisdiction,  
317 the family member's employer or a health care provider that the family member's presence on  
318 the job or in the community would jeopardize the health of others because of the family  
319 member's exposure to COVID-19, regardless of whether the family member has been diagnosed  
320 with COVID-19; or

321 (5) An employee's inability to telework because the employee has been diagnosed with  
322 COVID-19 and the symptoms inhibit the ability of the employee to telework.

323 (c)(1) COVID-19 emergency paid sick leave provided by an employer may be reduced by  
324 the amount of wages or wage replacement that an employee receives for that period under any  
325 government program or law. COVID-19 emergency paid sick leave shall not be reduced by and  
326 shall be in addition to all job protected time off, paid and unpaid, that the employer is required  
327 provide to employees: (i) under section 148C of chapter 149 of the General Laws; (ii) under any  
328 existing policy or program of the employer; (iii) pursuant to a collectively bargained agreement  
329 between the employer and a collective bargaining representative of an employee; or (iv) under  
330 federal law, to the extent permitted by that federal law; provided, however, said COVID-19  
331 emergency paid sick leave may be reduced if the aggregate amount an employee would receive  
332 would exceed the employee's average weekly wage. An employer shall not require an employee  
333 to use other paid leave provided by the employer to the employee before the employee uses the  
334 COVID-19 emergency paid sick leave, unless federal law requires otherwise.

335 (2) An employee may use COVID-19 emergency paid sick leave on an intermittent basis  
336 and in hourly increments.

337 (d) The employee shall provide notice to the employer of the need for COVID-19  
338 emergency paid sick leave as soon as practicable or foreseeable. After the first workday an  
339 employee receives COVID-19 emergency paid sick leave, an employer may require the  
340 employee to follow reasonable notice procedures in order to continue receiving COVID-19  
341 emergency paid sick leave. An employer shall not require, as a condition of an employee's  
342 taking COVID-19 emergency paid sick leave, that the employee search for or find a replacement

343 worker to cover the hours during which the employee is using COVID-19 emergency paid sick  
344 leave.

345 (e)(1) Applications for reimbursements from an eligible employer from the COVID-19  
346 Emergency Paid Sick Leave Fund shall be in a form prescribed by the executive office for  
347 administration and finance and shall include, but not be limited to: a copy of a written request for  
348 COVID-19 emergency paid sick leave from the employee to the employer, in which the  
349 employee provides: (i) the employee's name; (ii) the date or dates for which leave is requested  
350 and taken; (iii) a statement of the COVID-19 related reason the employee is requesting leave and  
351 written support for such reason; and (iv) a statement that the employee is unable to work,  
352 including by means of telework, for such reason.

353 In the case of a leave request based on a quarantine order or self-quarantine advice, the  
354 statement from the employee shall also include: (i) the name of the governmental entity ordering  
355 quarantine or the name of the health care provider advising self-quarantine; and (ii) if the person  
356 subject to quarantine or advised to self-quarantine is not the employee, that person's name and  
357 relation to the employee.

358 (2) Health information related to COVID-19 emergency paid sick leave possessed by an  
359 employer regarding an employee or employee's family member shall: (i) be maintained on a  
360 separate form and in a separate file from other personnel information; (ii) be treated as  
361 confidential medical records; (iii) not be disclosed except to the affected employee or with the  
362 express permission of the affected employee; and (iv) be kept confidential in accordance with  
363 any other state or federal law.

364 (f) It shall be unlawful for any employer to interfere with, restrain, or deny an employee's  
365 ability to take COVID-19 emergency paid sick leave, including, but not limited to, using an  
366 employee's taking of COVID-19 emergency paid sick leave as a negative factor in any  
367 employment action such as evaluation, promotion, disciplinary action or termination, or  
368 otherwise subjecting an employee to discipline or taking any other adverse action against an  
369 employee for the use of COVID-19 emergency paid sick leave.

370 (g) It shall be unlawful for any employer to take any adverse action against an employee  
371 because the employee opposes practices believed to be in violation of this section, or because the  
372 employee supports the exercise of rights of another employee under this section, including, but  
373 not limited to: (i) filing an action, or instituting or causing to be instituted any proceeding under  
374 or related to this section; (ii) providing or intending to provide any information in connection  
375 with any inquiry or proceeding related to this section; or (iii) testifying or intending to testify in  
376 any inquiry or proceeding related to this section.

377 (h) Nothing in this section shall be construed to: (i) discourage employers, including the  
378 commonwealth, its departments, sub-divisions, quasi-public agencies, and municipality, district,  
379 political subdivision or its instrumentalities, from adopting or retaining job-protected paid time  
380 off policies that are more generous than policies set out in this section; (ii) diminish or impair the  
381 obligation of an employer to comply with any contract, collective bargaining agreement, or any  
382 employment benefit program or plan in effect on the effective date of this section that provides to  
383 employees greater job-protected paid time off rights than the rights established under this  
384 section; or (iii) pre-empt the power of a municipality, district, political subdivision or its  
385 instrumentalities, from adopting or retaining job-protected paid time off policies more generous  
386 than policies that comply with the requirements of this section.

387 (i) Notice of this section shall be prepared by the executive office of labor and workforce  
388 development, in consultation with the executive office for administration and finance, in English  
389 and in other languages required under clause (iii) of subsection (d) of section 62A of chapter  
390 151A of the General Laws, and shall be provided to employers not later than 7 days after the  
391 effective date of this section. Employers shall post this notice in a conspicuous location  
392 accessible to employees in every establishment where employees with rights under this section  
393 work and shall provide a copy to their employees; provided, however, that in cases where the  
394 employer does not maintain a physical workplace, or an employee teleworks or performs work  
395 through a web-based platform, notification shall be sent via electronic communication or a  
396 conspicuous posting in the web-based platform.

397 (j) The executive office of labor and workforce development, in consultation with the  
398 executive office for administration and finance and the executive office of health and human  
399 services, shall develop and implement a multilingual outreach program to inform employers,  
400 employees and health care providers about the availability of COVID-19 emergency paid sick  
401 leave.

402 (k) The executive office for administration and finance shall issue a report on the  
403 COVID-19 emergency paid sick leave program. The report shall include, but not be limited to:  
404 (i) aggregate information on the number of employees who were provided COVID-19  
405 emergency paid sick leave; (ii) the reason employees received COVID-19 emergency paid sick  
406 leave; (iii) the average amount paid to employees who were provided COVID-10 emergency  
407 paid sick leave; (iv) the average length of COVID-19 emergency paid sick leave; (v) the  
408 employers who received reimbursements from the COVID-19 Emergency Paid Sick Leave Fund  
409 established in section 14; (vi) the average amount of each reimbursement of the employer; and

410 (vii) the total amount of reimbursements received by each employer. The report shall not include  
411 any identifying information of an individual employee. The report shall be filed with the clerks  
412 of the house of representatives and the senate and the chairs of the joint committee on labor and  
413 workforce development not later than January 1, 2022.

414 SECTION 16. COVID-19 emergency paid sick leave shall be available to an employee  
415 under section 15 until: (i) monies in the COVID-19 Emergency Paid Sick Leave Fund  
416 established in section 14 are no longer available; (ii) notification from the executive office for  
417 administration and finance to employers that it reasonably anticipates funds will no longer be  
418 available for reimbursement; or (iii) September 30, 2021, whichever is first.

419 SECTION 17. The executive office for administration and finance, or any departments  
420 and agencies thereof, may promulgate regulations necessary for the implementation of sections  
421 13 to 16, inclusive.

422 SECTION 18. Words used in this section and sections 19 to 21, inclusive, shall have the  
423 same meaning as in section 1 of chapter 151A of the General Laws; provided, that the following  
424 words shall, unless the context clearly requires otherwise, have the following meanings:

425 “Bond”, any type of special obligation bond, including a bond, note, certificate or other  
426 instrument, or series thereof, issued by the commonwealth for the purposes set forth under this  
427 act.

428 “Bond administrative expenses”, expenses incurred to issue and administer bonds  
429 authorized under this act, or as otherwise necessary to ensure compliance with applicable federal  
430 or state law.

431 “Federal advances”, loans issued by the federal government to the commonwealth for the  
432 payment of compensation under Title XII of the Social Security Act or other federal law.

433 SECTION 19. (a) When authorized by a vote taken in the manner provided by section 3  
434 of Article LXII of the Amendments to the Constitution of the Commonwealth, the treasurer,  
435 upon request of the governor, may issue special obligation bonds in 1 or more series and in  
436 principal amounts necessary or estimated to be necessary to:

437 (i) reduce the amount of, or avoid the need to obtain, a federal advance from the federal  
438 government;

439 (ii) repay federal advances made to the commonwealth from the federal unemployment  
440 account for the fiscal years 2020 to 2025, inclusive;

441 (iii) repay prior years’ interest and other related costs on federal advances for the fiscal  
442 years 2020 to 2025, inclusive, to the extent not paid pursuant to section 14J1/2 of chapter 151A  
443 of the General Laws;

444 (iv) fund any reserve account, costs of issuance, capitalized interest, if any, and the initial  
445 bond administrative expenses; and

446 (v) refund outstanding bonds or notes secured by the Special Contribution  
447 Unemployment Compensation Trust Fund established by section 21.

448 (b) The bonds authorized pursuant to this section may be issued by the treasurer upon a  
449 request by the governor, and shall state the amount required for the purposes pursuant to  
450 subsection (a) and the date or dates upon which such funds are required, and such other matters  
451 as the secretary of labor and workforce development and the secretary of administration and

452 finance shall determine as appropriate under such request, consistent with carrying out the  
453 purposes of this section. Such request may be filed with the treasurer only after the secretary of  
454 labor and workforce development and the secretary of administration and finance send a letter to  
455 the governor recommending the issuance of revenue bonds.

456 (c) Any such bonds shall be special obligations of the commonwealth payable solely  
457 from monies credited to the Special Contribution Unemployment Compensation Trust Fund  
458 established in section 21; provided, however, that notwithstanding any general or special law to  
459 the contrary, such bonds shall not be general obligations of the commonwealth. Bonds may be  
460 issued in such manner and on such terms and conditions as the treasurer may determine in  
461 accordance with this subsection and, to the extent not inconsistent with this subsection, the  
462 General Laws for the issuance of bonds of the commonwealth. Bonds may be secured by a trust  
463 agreement entered into by the treasurer, with the concurrence of the secretary of labor and  
464 workforce development and the secretary of administration and finance, on behalf of the  
465 commonwealth, which trust agreement may pledge or assign all or any part of the amounts on  
466 deposit in the Special Contribution Unemployment Compensation Trust Fund and rights to  
467 receive the same, whether existing or coming into existence and whether held or thereafter  
468 acquired, and the proceeds thereof. The treasurer may, with the concurrence of the secretary of  
469 labor and workforce development and the secretary of administration and finance, enter into  
470 additional security, insurance or other forms of credit enhancement, which may be secured on a  
471 parity or subordinate basis with the bonds. A pledge in any such trust agreement or credit  
472 enhancement agreement shall be valid and binding from the time such pledge shall be made  
473 without any physical delivery or further act, and the lien of such pledge shall be valid and  
474 binding against all parties having claims of any kind in tort, contract or otherwise, whether such



475 parties have notice thereof or not. Any such pledge shall be perfected by filing of the trust  
476 agreement or credit enhancement agreement in the records of the treasurer and no filing shall be  
477 required under chapter 106 of the General Laws. Any such trust agreement or credit  
478 enhancement agreement may establish provisions defining defaults and establishing remedies  
479 and other matters relating to the rights and security of the holders of the bonds or other secured  
480 parties as determined by the treasurer, including provisions relating to the establishment of  
481 reserves, the issuance of additional or refunding bonds, whether or not secured on a parity basis,  
482 the application of receipts, monies or funds pledged pursuant to such agreement, the regulation  
483 of the custody, investment and application of monies and such other matters deemed necessary  
484 or desirable by the treasurer for the security of such bonds.

485 (d) The treasurer may also provide for issuance of temporary notes in anticipation of  
486 bonds, grants, revenues or appropriations. The issuance of the notes shall be governed by this  
487 section relating to the issuance of bonds. The treasurer may also issue refunding bonds for the  
488 purpose of paying any bonds at or before maturity, as provided for and permitted by the terms of  
489 a trust agreement. The principal amount of bonds for the payment or redemption of which, either  
490 at or before maturity, refunding bonds shall have been issued, shall be excluded from the  
491 aggregate principal amount of bonds issued under this chapter for purposes of computing the  
492 limit on outstanding bonds under this section.

493 (e) Bonds and notes issued by the commonwealth, their transfer and income therefrom,  
494 including any profit made on the sale thereof, shall at all times be free from taxation within the  
495 commonwealth. In connection with the issuance of bonds and notes of the commonwealth which  
496 are intended to qualify for tax exemption under the Internal Revenue Code of 1986, and to  
497 induce the purchase of such bonds and notes, the treasurer may covenant on behalf of the

498 commonwealth with the purchasers or with the holders from time to time of such bonds or notes  
499 or with a trustee or trustees for the benefit of such holders with respect to compliance with the  
500 requirements of said Internal Revenue Code relative to such tax exemption, including without  
501 limitation compliance with provisions relating to the use of proceeds by private parties, the  
502 investment of proceeds and the payment of rebate, so-called, to the federal government. Any  
503 such covenant may appear on the bonds or notes or may be included in a separate trust  
504 agreement.

505 (f) In order to increase the marketability of any such bonds or notes issued by the  
506 commonwealth, the commonwealth covenants with the purchasers and all subsequent owners  
507 and transferees of bonds and notes issued by the treasurer pursuant to this section in  
508 consideration of the acceptance of the payment for the bonds and notes, until such bonds and  
509 notes, together with the interest thereon, with interest on any unpaid installment of interest and  
510 all costs and expenses in connection with any action or proceeding on behalf of such owners, are  
511 duly met and discharged or unless expressly permitted or otherwise authorized by the term of  
512 each contract and agreement made or entered into by or on behalf of the commonwealth with or  
513 for the benefit of such owners: (i) no pledged funds shall be diverted from the Special  
514 Contribution Unemployment Compensation Trust Fund; and (ii) so long as the sums are  
515 necessary, as determined by the treasurer in accordance with any applicable trust or security  
516 agreement or credit enhancement agreement or insurance policy related to bonds or notes issued  
517 by the treasurer, for the purposes for which they have been pledged, notwithstanding any general  
518 or special law to the contrary, the commonwealth will impose, charge, raise, levy, collect and  
519 apply the assessment set forth in section 20 and other revenues, receipts, funds or moneys  
520 pledged in an amount sufficient to pay all principal or redemption premium of and interest on the

521 bonds and notes and any other obligation due relating to such bonds and notes and comply with  
522 the covenants set forth in trust agreement providing for such bonds and notes.

523 SECTION 20. (a) For any year in which bonds or notes issued pursuant to section 19 are  
524 outstanding, an employer entitled to an experience rating under section 14 of chapter 151A of the  
525 General Laws shall be subject to, shall be assessed, and shall pay an unemployment obligation  
526 assessment.

527 (b) Annually, the commissioner shall set the unemployment obligation assessment rate an  
528 amount sufficient to ensure timely payment of all of the following:

529 (i) principal, interest and any redemption premium on the bonds or notes;

530 (ii) administrative expenses, credit enhancement fees and other fees, if any, in connection  
531 with issuing the bonds or notes;

532 (iii) all other amounts required to be maintained and paid under the terms of applicable  
533 trust agreements or credit enhancement agreements; and

534 (iv) amounts necessary to establish the ratings on the obligations that are assigned by a  
535 nationally recognized rating service at a level determined by the treasurer in the treasurer's sole  
536 discretion.

537 (c) The rate shall be based on a formula prescribed by rules set forth by the  
538 commissioner, using the employer's experience rating. The unemployment obligation assessment  
539 rate shall apply to the same wage base to which the employer's unemployment tax applies for the  
540 applicable period.

541 (d) Not less than 30 days following the annual setting of the unemployment obligation  
542 assessment rate, the commissioner shall provide written notice to the chairs of the house and  
543 senate committees on ways and means and the chairs of the joint committee on labor and  
544 workforce development. The notice shall include, but not be limited to: (i) the assessment rate;  
545 (ii) a description of the formula on which the assessment rate was based; and (iii) the amounts of  
546 any outstanding payments associated with bonds issued pursuant to section 19, including the  
547 amounts described in clauses (i) through (iv) of subsection (b).

548 (e) The unemployment obligation assessment shall be due at the same time, collected in  
549 the same manner and subject to the same penalties and interest as other contributions assessed  
550 under said section 14 of said chapter 151A.

551 (f) The unemployment obligation assessment shall be credited to the Special Contribution  
552 Unemployment Compensation Trust Fund established pursuant to section 21. Receipts from the  
553 assessment shall not be subject to the allowable state tax revenue limitations established by  
554 chapter 62F of the General Laws.

555 SECTION 21. (a) There is hereby established on the books of the commonwealth a fund  
556 to be known as the Special Contribution Unemployment Compensation Trust Fund. Said fund  
557 shall be administered by the secretary of labor and workforce development, with the approval of  
558 the secretary of administration and finance.

559 (b) All costs related to the organization, establishment and operation of the fund and all  
560 costs related to the establishment of billing, payment and collection procedures for amounts  
561 received from employers in payment of the unemployment obligation assessment established by  
562 section 20, to the extent not payable under the trust agreement for bonds issued under section 19,

563 may be paid from other amounts available under chapter 151A of the General Laws when made  
564 available thereunder for such purpose.

565 (c) Amounts in the fund shall be held by the secretary of labor and workforce  
566 development or the secretary's designee, as trustee and not on account of the commonwealth,  
567 exclusively for the purposes set forth in section 19, and the secretary of labor and workforce  
568 development shall disburse amounts in the fund to a trustee under a trust agreement as set forth  
569 in said section 19, without further appropriation. All amounts in the fund, including investment  
570 earnings, shall be available for expenditure for any lawful purpose, including without limitation  
571 payment of debt service on bonds or notes issued by the treasurer, and may be pledged to secure  
572 special obligation bonds in such manner and according to such priority as set forth in said section  
573 19 or a trust agreement established for such purpose.

574 (d) In order to increase the marketability of any bonds or notes of the trust which may be  
575 secured by or payable from amounts held in the fund, the sums to be credited to the fund are  
576 hereby impressed with a trust for the benefit of the trust and the holders from time to time of the  
577 bonds or notes, and in consideration of the acceptance of payment for the bonds or notes, the  
578 commonwealth covenants with the purchasers and all subsequent holders and transferees of the  
579 bonds or notes that while the bond or note shall remain outstanding, and so long as the principal  
580 of or interest on the bond or note shall remain unpaid, the sums to be credited to the fund shall  
581 not be diverted from the control of the trust and, so long as the sums are necessary, as determined  
582 by the treasurer in accordance with any applicable trust or security agreement or credit  
583 enhancement agreement or insurance policy related to bonds or notes issued by the treasurer, for  
584 the purposes for which they have been pledged, notwithstanding any general or special law to the  
585 contrary, the commonwealth will impose, charge, raise, levy, collect and apply the

586 unemployment obligation assessment set forth in section 20 and other revenues, receipts, funds  
587 or moneys pledged in an amount sufficient to pay all principal or redemption premium of and  
588 interest on the bonds and notes and any other obligation due relating to such bonds and notes and  
589 comply with the covenants set forth in trust agreement providing for such bonds and notes.

590 SECTION 22. Not later than 10 days after the effective date of this act, the secretary of  
591 administration and finance shall direct the comptroller to transfer \$75,000,000 from federal funds  
592 received by the commonwealth in response to the public health emergency caused by COVID-  
593 19, if any, available and consistent with federal funding requirements to the COVID-19  
594 Emergency Paid Sick Leave Fund established in section 14; provided, however, that if the  
595 secretary of administration and finance certifies to the comptroller that no such funds are  
596 available, the comptroller shall transfer \$75,000,000 from the General Fund to said COVID-19  
597 Emergency Paid Sick Leave Fund.

598 SECTION 23. To meet the expenditures necessary in carrying out section 2, the treasurer  
599 shall, upon request of the governor, issue and sell bonds of the commonwealth in an amount to  
600 be specified by the governor from time to time but not exceeding, in an aggregate principal  
601 amount, \$7,000,000,000. All such bonds issued by the commonwealth shall be designated on  
602 their face, the Unemployment Insurance Trust Fund Solvency Act of 2021, and shall be issued  
603 for a maximum term of years, not exceeding 30 years, as the governor may recommend to the  
604 general court under section 3 of Article LXII of the Amendments to the Constitution of the  
605 Commonwealth. All such bonds shall be payable not later than June 30, 2056. All interest and  
606 payments on account of principal on these bonds and notes shall be payable from the Special  
607 Contribution Unemployment Compensation Trust Fund established pursuant to section 21.  
608 Bonds and interest thereon issued under this section shall, notwithstanding any provision of the

609 General Laws or this act, be special obligations of the commonwealth payable solely in  
610 accordance with the provisions of said section 21. Notwithstanding any general or special law to  
611 the contrary, bonds and notes issued under this act and interest thereon shall not be included in  
612 the computation of outstanding bonds for purposes of the limit imposed by the second paragraph  
613 of section 60A of chapter 29 of the General Laws, nor shall debt service with respect to these  
614 bonds and notes be included in the computation of the limit imposed by section 60B of said  
615 chapter 29.

616 SECTION 24. The department of unemployment assistance, in conjunction with the  
617 department of revenue, shall establish a public information and education campaign to notify  
618 taxpayers of the unemployment insurance tax credit for tax years 2020 and 2021 established by  
619 subsection (x) of section 6 of chapter 62 of the General Laws; provided, the campaign shall  
620 include: (i) notice of the availability of such unemployment insurance tax credit; (ii) a  
621 description of and the eligibility criteria for the tax credit; and (iii) targeted and direct outreach to  
622 individuals receiving unemployment compensation in the commonwealth. The department of  
623 unemployment assistance and the department of revenue shall publish such information on their  
624 respective websites in a conspicuous manner and location, which shall be available in multiple  
625 languages as determined by the department of unemployment assistance.

626 SECTION 25. The department of family and medical leave shall conduct an analysis on  
627 the expansion of the family and medical leave program established by chapter 175M of the  
628 General Laws to provide coverage for future communicable illnesses related to a public health  
629 emergency. Such analysis shall include, but not be limited to: (i) an examination of the costs and  
630 benefits of providing coverage under such program, including but not limited to public health  
631 and economic benefits; (ii) the impact of providing benefits under such program on other safety

632 net programs used during the COVID-19 pandemic to provide financial assistance to employees,  
633 including but not limited to unemployment insurance; and (iii) the potential impact of providing  
634 coverage for communicable illnesses related to a public health emergency on contributions to the  
635 Family and Employment Security Trust Fund established in section 7 of chapter 175M of the  
636 General Laws. The department shall issue a report with its findings, including any legislative  
637 recommendations, if any, to the clerks of the house and the senate and the chairs of the joint  
638 committee on labor and workforce development, no later than December 31, 2022.

639 SECTION 25A. (a) There shall be a special commission to study and develop  
640 recommendations on the solvency of the unemployment trust fund established in section 14F of  
641 chapter 151A of the General Laws. The commission shall consist of the following 21 members:  
642 the chairs of the joint committee on labor and workforce development, who shall serve as co-  
643 chairs; 1 member appointed by the minority leader of the house of representatives; 1 member  
644 appointed by the minority leader of the senate; the secretary of labor and workforce development  
645 or a designee; the director of unemployment assistance or a designee; 1 member appointed by the  
646 Massachusetts State Labor Council, AFL-CIO; 1 member appointed by the Associated Industries  
647 of Massachusetts, Inc.; 1 member appointed by the Massachusetts Legal Assistance Corporation  
648 representing unemployed workers; 1 member appointed by the Alliance for Business Leadership,  
649 Inc.; 1 member appointed by the National Federation of Independent Business Massachusetts; 1  
650 member appointed by the Union of Minority Neighborhoods, Inc.; 1 member appointed by the  
651 Massachusetts Restaurant Association, Inc.; 1 member appointed by the Black Economic  
652 Council of Massachusetts, Inc.; 1 member appointed by the Greater Boston Chamber of  
653 Commerce; 1 member appointed by the Massachusetts Building Trades Council; 1 member  
654 appointed by the Massachusetts Competitive Partnership; 1 member appointed by Greater



655 Boston Legal Services Employment Unit; 1 member appointed by the Massachusetts Taxpayers  
656 Foundation, Inc.; 1 member appointed by the Tufts University Jonathan M. Tisch College of  
657 Civic Life Center for State Policy Analysis; and 1 member appointed by the Retailers  
658 Association of Massachusetts, Inc.

659 (b) The commission shall study the long-term solvency of the unemployment trust fund,  
660 including, but not limited to: (i) evaluating whether changes are necessary to the experience  
661 rating system in order to promote solvency and reduce the tax impact on small businesses; (ii)  
662 examining increasing or indexing the taxable wage base under section 14 of said chapter 151A;  
663 (iii) examining the industry specific impacts of changes to the unemployment tax rate; (iv)  
664 reviewing solvency efforts in other state unemployment tax systems; and (v) determining what  
665 changes are necessary to benefit from federal tax credits and federal interest-free borrowing  
666 under the Federal Unemployment Tax Act, 26 U.S.C. § 3301-3305. The report by the  
667 commission shall include recommendations to promote the long-term solvency of the trust fund  
668 and meet solvency criteria required by the United States Department of Labor under the Federal  
669 Unemployment Tax Act, 26 U.S.C. § 3301-3305, and the Social Security Act, 42 U.S.C. § 1321-  
670 1324 and applicable regulations and guidance.

671 (c) The commission shall hold at least one public hearing and may hold additional  
672 hearings as necessary at which members of the public shall have an opportunity to speak.

673 (d) Not later than December 15, 2021, the commission shall file a report on its findings  
674 and recommendations with the clerks of the house of representatives and the senate, the chairs of  
675 the joint committee on labor and workforce development and the house and senate committees  
676 on ways and means.

677 SECTION 26. Sections 4 and 5 are hereby repealed.

678 SECTION 27. Section 10 is hereby repealed.

679 SECTION 28. Sections 13 to 17, inclusive, shall take effect 10 days after the effective  
680 date of this act.

681 SECTION 29. Section 26 shall take effect on January 1, 2023.

682 SECTION 30. Section 27 shall take effect on January 1, 2022.