

SENATE No. 267

The Commonwealth of Massachusetts

PRESENTED BY:

Eric P. Lesser

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing an independent workers portability of benefits innovation fund.

PETITION OF:

NAME:

Eric P. Lesser

DISTRICT/ADDRESS:

First Hampden and Hampshire

SENATE No. 267

By Mr. Lesser, a petition (accompanied by bill, Senate, No. 267) of Eric P. Lesser for legislation to establish a portable benefits for independent workers innovation fund. Economic Development and Emerging Technologies.

[SIMILAR MATTER FILED IN PREVIOUS SESSION
SEE SENATE, NO. 211 OF 2019-2020.]

The Commonwealth of Massachusetts

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

An Act establishing an independent workers portability of benefits innovation fund.

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. Chapter 149 of the general laws, as appearing in the 2018 official edition, is
2 hereby amended by inserting after section 203 the following new section:–

3 Section 204. (a) The purpose of this section is to establish a statewide program that will
4 encourage employers and organizations to innovate and establish portable benefits systems for
5 workers in the commonwealth in order to ensure dignity and security for workers and their
6 families in a rapidly changing economy.

7 (b) As used in this section, the following words shall have the following meanings unless
8 the context clearly requires otherwise:

9 “Eligible organization”, any local government or any nonprofit organization.

10 “Eligible work”, any work performed that is not in connection with traditional full-time
11 employment.

12 “Eligible worker”, any worker who is not a traditional full-time employee of the entity
13 hiring the worker for the eligible work, including any independent contractor, contract worker,
14 self-employed individual, freelance worker, temporary worker, or contingent worker.

15 “Portable benefits”, work-related benefits that are provided to eligible workers for
16 eligible work in a manner that allows the worker to maintain the benefits upon changing jobs and
17 includes: (i) contributions on behalf of the eligible worker made by an entity or entities in
18 connection with eligible work performed by the worker for the entity; (ii) contributions made by
19 the eligible worker; or (iii) a combination of the contributions described in clauses (i) and (ii).

20 “Secretary”, the secretary of labor and workforce development.

21 “Work-related benefits,” benefits, including protections, of a type that are commonly
22 provided to traditional full-time employees, such as workers’ compensation, skills training,
23 disability coverage, health insurance coverage, retirement saving, income security, and short-
24 term savings.

25 (c)(1) The secretary, in consultation with the head of any other relevant department or
26 office, shall establish a independent workers portability of benefits innovation fund and grant
27 program. Said grants shall be awarded on a first come, first served, competitive basis to eligible
28 organizations to support broad innovation and experimentation with respect to portable benefits.

29 (2) Said grants, awarded under paragraph (1) of this subsection, shall be used for the
30 following purposes: (i) the evaluation, or improvement to the design or implementation, of

31 existing models or approaches for providing portable benefits; or (ii) the design, implementation,
32 and evaluation of new models or approaches for providing said portable benefits.

33 (3) An eligible organization that receives a grant under paragraph (1) may not use said
34 grant to fund a model or approach described in paragraph (2) that provides only for retirement-
35 related benefits.

36 (4) In awarding grants under paragraph (1), the secretary shall consider the potential of
37 the model or approach described in paragraph (2) to be replicated on a statewide level.

38 (5) The secretary, in consultation with the head of any other relevant department or
39 agency, shall establish an application process for the independent workers portability of benefits
40 innovation fund grant program and any eligible organization may submit an application for said
41 grant to the secretary on an annual basis.

42 (d) On or before December 1, 2021, the secretary shall submit a report to the house and
43 senate committee on ways and means, the house and senate chairs of the joint committee on
44 economic development and emerging technologies, and the house and senate chairs of the joint
45 committee on labor and workforce development evaluating the implementation of this section
46 and outcome of the grants awarded under subsection (c). Said report shall include, but not be
47 limited to (i) an assessment of the impact of said grants on the compensation of workers
48 receiving portable benefits; (ii) a description and evaluation of each grant recipient's existing or
49 new models or approaches for providing portable benefits; and (iii) any recommendations for
50 changes to said grant program.

51 (e) The secretary, in consultation with the head of any other relevant department or
52 office, shall promulgate regulations pursuant to this section.

SECTION 2. This act shall take effect beginning in fiscal year 2022.