



REPRESENTATIVE CAROLYN HALL

HOUSE DISTRICT 16 | WEST ANCHORAGE

Sponsor Statement: House Bill 193 34-LS0612H

Paid Parental Leave

According to the August 2024 Labor Trends magazine, the State of Alaska's Unemployment Insurance (UI) trust fund is over-funded; HB193 would leverage existing fund contributions from employers and employees and utilize the Department of Labor and Workforce Development's existing infrastructure to establish the Alaska Parental Leave Program and update UI benefits for Alaskans.

The policy levers afforded in the bill would accommodate the new program by diverting existing employee contributions to create the paid parental leave fund, enhance the State Training and Employment Program (STEP), afford an opportunity for employer contribution tax cut, and maintain the UI trust fund's solvency, without increasing employer or employee tax contributions.

As the State seeks to recruit, attract and retain young families, the paid parental leave policy would serve a crucial purpose: giving parents the time to bond with their child. By helping families take important time off for childbirth, adoption, or fostering, the State can ensure that parents and newborns can attend follow-up doctors' appointments; lower the risk for re-hospitalization; have economic security that reduces stress on parents & children; further cement the bond between parents and an adopted child or foster youth; and help mothers re-enter the workforce after any one of these scenarios.

By building off existing infrastructure in the Department of Labor & Workforce Development, current employee and employer contributions can go towards an invaluable program that returns many benefits back to our society and economy, while also enhancing STEP, and ensuring the long-term viability of the unemployment insurance Alaskans rely on in times of transition.