

115TH CONGRESS  
2D SESSION

# S. 3345

To provide paid parental leave benefits to parents following the birth or adoption of a child.

---

IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2018

Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on Finance

---

## A BILL

To provide paid parental leave benefits to parents following the birth or adoption of a child.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Economic Security for  
5 New Parents Act”.

6 **SEC. 2. PARENTAL LEAVE BENEFIT PAYMENTS.**

7 (a) IN GENERAL.—Title II of the Social Security Act  
8 (42 U.S.C. 401 et seq.) is amended by adding at the end  
9 the following new section:

1 **“SEC. 235. PARENTAL LEAVE BENEFIT PAYMENTS.**

2 “(a) IN GENERAL.—Any individual who—

3 “(1) qualifies as an eligible parent (as defined  
4 in subsection (d));

5 “(2) has filed an application for a parental  
6 leave benefit in accordance with paragraph (1) of  
7 subsection (c); and

8 “(3) has provided the Commissioner with the  
9 information described in paragraph (3) of such sub-  
10 section,

11 shall be entitled, subject to subsection (f), for such a ben-  
12 efit under this section.

13 “(b) BENEFIT AMOUNT.—

14 “(1) IN GENERAL.—The amount of the paren-  
15 tal leave benefit under this section shall be an  
16 amount equal to the applicable percentage of the pri-  
17 mary insurance amount for the eligible parent (as  
18 determined under section 215) for the month pre-  
19 ceding the month in which the information described  
20 in subsection (c)(3) is received by the Commissioner,  
21 as though such parent had attained age 62 in such  
22 month.

23 “(2) APPLICABLE PERCENTAGE.—For purposes  
24 of paragraph (1), the applicable percentage shall  
25 be—

1           “(A) in the case of an eligible parent who  
2           takes leave to provide care for a child for a pe-  
3           riod described in item (aa) of subsection  
4           (c)(1)(A)(ii)(II), 150 percent; or

5           “(B) in the case of an eligible parent who  
6           takes leave to provide care for a child for a pe-  
7           riod described in item (bb) of such subsection,  
8           300 percent.

9           “(3) REDUCTION IN BENEFIT AMOUNT ON AC-  
10          COUNT OF DISABILITY INSURANCE BENEFITS.—The  
11          amount of any parental leave benefit under this sec-  
12          tion shall be reduced by the amount, if any, of any  
13          disability insurance benefits under section 223 of the  
14          Social Security Act (42 U.S.C. 423) received by an  
15          eligible parent during the calendar year in which the  
16          parental leave benefit is received by such parent.

17          “(4) ROUNDING.—Any amount determined  
18          under paragraph (1) shall be rounded down to the  
19          next whole dollar amount.

20          “(c) ADMINISTRATION.—

21                  “(1) APPLICATION.—

22                          “(A) IN GENERAL.—An application for a  
23                          parental leave benefit shall include—

1           “(i) a statement that the applicant  
2 anticipates giving birth to or becoming the  
3 parent of a child;

4           “(ii) if applicable, an attestation from  
5 the applicant that the applicant has pro-  
6 vided 60 days written notice to the appli-  
7 cant’s employer of the applicant’s intention  
8 (except that if the date of the birth or  
9 placement involved requires the leave to  
10 begin in less than 60 days, the attestation  
11 shall provide such written notice of that in-  
12 tention as is practicable) to—

13                   “(I) receive a parental leave ben-  
14 efit under this section; and

15                   “(II) subject to subparagraph  
16 (B), take leave to provide care for the  
17 child for—

18                           “(aa) 1 month; or

19                           “(bb) a period of not less  
20 than 2 consecutive months; and

21                   “(iii) the social security number of the  
22 applicant.

23           “(B) TWO-PARENT HOUSEHOLD.—In the  
24 case in which both eligible parents of a child  
25 elect to receive a parental leave benefit under

1           this section, the leave requirement under sub-  
2           paragraph (A)(ii)(II) shall be applied to such  
3           parents jointly.

4           “(C) ONLINE AVAILABILITY.—The Sec-  
5           retary shall make the application described in  
6           this paragraph available through an Internet  
7           website or other electronic media.

8           “(2) ELIGIBILITY DETERMINATION.—Following  
9           receipt of an application described in paragraph (1),  
10          the Commissioner shall—

11           “(A) determine whether the information  
12           required for such application has been properly  
13           submitted, including determining the validity of  
14           the individual’s social security number;

15           “(B) determine whether the individual sat-  
16           isfies the requirement for quarters of coverage  
17           under subsection (d)(2); and

18           “(C) provide notice to the individual re-  
19           garding the determinations under subpara-  
20           graphs (A) and (B).

21           “(3) NOTIFICATION.—Not later than 52 weeks  
22           following the date of the birth or adoption of the  
23           child, an individual who has submitted an applica-  
24           tion under paragraph (1) shall provide the Commis-  
25           sioner with—

1           “(A) the name and the date of the birth or  
2           adoption of the child;

3           “(B) an attestation from the individual  
4           that they have submitted an application for  
5           issuance of a social security number for such  
6           child; and

7           “(C) a copy of the birth certificate or other  
8           documentation demonstrating that the indi-  
9           vidual is the parent of the child.

10          “(4) PAYMENT.—The Commissioner shall pro-  
11          vide payment to the eligible parent of—

12                 “(A) not later than 2 weeks after receipt  
13                 of the information described in paragraph (3),  
14                 50 percent of the parental leave benefit; and

15                 “(B) not later than 30 days after the pay-  
16                 ment described in subparagraph (A), 50 percent  
17                 of the parental leave benefit.

18          “(5) REVIEW.—All final determinations of the  
19          Commissioner under this subsection shall be review-  
20          able according to the procedures set out in section  
21          205.

22          “(6) MINIMUM PERIOD OF LEAVE.—The Com-  
23          missioner may publish rules, regulations, or guid-  
24          ance or take other actions in order to ensure that  
25          any eligible parent (or, for purposes of paragraph

1 (1)(B), both eligible parents) claiming a benefit  
2 under this section takes leave from employment for  
3 a period of not less than the number of months pro-  
4 vided under paragraph (1)(A)(ii)(II), including di-  
5 rectly contacting the employer of such parent or off-  
6 setting overpayments against future social security  
7 benefits.

8 “(d) ELIGIBLE PARENT.—

9 “(1) IN GENERAL.—The term ‘eligible parent’  
10 means a parent who satisfies the requirement under  
11 paragraph (2).

12 “(2) REQUIREMENT FOR QUARTERS OF COV-  
13 ERAGE.—The requirement described in this para-  
14 graph is that the individual shall have not less  
15 than—

16 “(A)(i) 4 quarters of coverage during the  
17 4-quarter period preceding the birth or adoption  
18 of their child; and

19 “(ii) 8 quarters of coverage preceding the  
20 birth or adoption of their child; or

21 “(B) 12 quarters of coverage preceding the  
22 birth or adoption of their child.

23 “(3) CHILD AND PARENT.—

1           “(A) CHILD.—In this section, the term  
2           ‘child’ means a biological or legally adopted  
3           child who has not attained 18 years of age.

4           “(B) PARENT.—In this section, the term  
5           ‘parent’ means—

6                   “(i) the biological mother or father of  
7                   a child; or

8                   “(ii) an individual who legally adopts  
9                   a child,

10           who is the legal guardian of the child and who  
11           has the same principal place of abode as the  
12           child for more than  $\frac{1}{2}$  of the taxable year.

13           “(e) RELATIONSHIP WITH STATE LAW; EMPLOYER  
14           BENEFITS.—

15                   “(1) IN GENERAL.—This section does not pre-  
16           empt or supercede any provision of State or local  
17           law that authorizes a State or political subdivision to  
18           provide paid parental or medical leave benefits simi-  
19           lar to the benefits provided under this section.

20                   “(2) GREATER BENEFITS ALLOWED.—Nothing  
21           in this Act shall be construed to diminish the obliga-  
22           tion of an employer to comply with any contract, col-  
23           lective bargaining agreement, or employment benefit  
24           program or plan that provides greater benefits for  
25           leave or other leave rights to individuals than the



1 benefits for leave or leave rights established under  
2 this Act.

3 “(f) SUNSET.—No benefits shall be paid under this  
4 section after December 31, 2023.”.

5 (b) DELAYED ELIGIBILITY FOR OLD-AGE INSUR-  
6 ANCE BENEFITS.—

7 (1) RETIREMENT AGE; EARLY RETIREMENT  
8 AGE.—Section 216(l) of the Social Security Act (42  
9 U.S.C. 416(l)) is amended by adding at the end the  
10 following:

11 “(4)(A) Notwithstanding the preceding paragraphs of  
12 this subsection, in the case of an individual who received  
13 a parental leave benefit under section 235—

14 “(i) the retirement age with respect to such in-  
15 dividual shall be deemed to be—

16 “(I) the retirement age determined with  
17 respect to such individual under paragraph (1);  
18 plus

19 “(II) the parental leave benefit adjustment  
20 with respect to such individual, as determined  
21 under subparagraph (B); and

22 “(ii) the early retirement age with respect to  
23 such individual shall be deemed to be—

1           “(I) the early retirement age determined  
2           with respect to such individual under paragraph  
3           (2); plus

4           “(II) the parental leave benefit adjustment  
5           with respect to such individual, as determined  
6           under subparagraph (B).

7           “(B)(i)(I) For purposes of subparagraph (A), the pa-  
8           rental leave benefit adjustment of the individual shall be  
9           equal to the sum of any adjusted benefit months of such  
10          individual.

11          “(II) The term ‘adjusted benefit months’ means, for  
12          each parental leave benefit received by an individual under  
13          section 235, the number of months (rounded to the near-  
14          est whole month) equal to the product of—

15               “(aa) 3 months (or, in the case of an eligible  
16               parent who takes leave to provide care for a child for  
17               a period described in item (aa) of section  
18               235(c)(1)(A)(ii)(II), 1.5 months), multiplied by

19               “(bb) the parental leave benefit ratio applicable  
20               for the calendar year in which such parental leave  
21               benefit was received.

22          “(ii) The parental leave benefit ratio for each cal-  
23          endar year shall be the amount, as determined by the  
24          Chief Actuary of the Social Security Administration, need-  
25          ed to ensure that the total amount of annual outlays from

1 the Federal Old-Age and Survivors Insurance Trust Fund  
2 which are attributable to parental leave benefit payments  
3 under section 235 are equivalent to the subsequent reduc-  
4 tion in outlays from such Trust Fund which are attrib-  
5 utable to the application of the amendments made by sec-  
6 tion 2(b) of the Economic Security for New Parents Act.

7 “(iii) In each calendar year, the Commissioner shall  
8 publish in the Federal Register, on or before November  
9 1, the parental leave benefit ratio applicable for any paren-  
10 tal leave benefits received by any individual during the  
11 subsequent calendar year.”.

12 (2) DELAYED RETIREMENT CREDITS.—Section  
13 202(w) of the Social Security Act (42 U.S.C.  
14 402(w)) is amended by inserting after “age 70”  
15 each place it appears the following: “(or, in the case  
16 of an individual described in subparagraph (A) of  
17 paragraph (4) of section 216(l), age 70 plus the pa-  
18 rental leave benefit adjustment determined under  
19 subparagraph (B) of such paragraph)”.

20 (3) VOLUNTARY SUSPENSION OF BENEFITS.—  
21 Section 202(z)(1)(A)(i) of the Social Security Act  
22 (42 U.S.C. 402(z)(1)(A)(i)) is amended by inserting  
23 after “the age of 70” the following: “(or, in the case  
24 of an individual described in subparagraph (A) of  
25 paragraph (4) of section 216(l), the age of 70 plus

1 the parental leave benefit adjustment determined  
2 under subparagraph (B) of such paragraph”.

3 (c) TRANSFERS TO FEDERAL OLD-AGE AND SUR-  
4 VIVORS INSURANCE TRUST FUND.—Section 201 of the  
5 Social Security Act (42 U.S.C. 401) is amended by adding  
6 at the end the following new subsection:

7 “(o)(1) For each fiscal year, there is hereby appro-  
8 priated to the Federal Old-Age and Survivors Insurance  
9 Trust Fund, out of any moneys in the Treasury not other-  
10 wise appropriated, an amount (not less than zero) equal  
11 to—

12 “(A) the total amount of outlays from the Fed-  
13 eral Old-Age and Survivors Insurance Trust Fund  
14 during the preceding fiscal year which are attrib-  
15 utable to parental leave benefit payments under sec-  
16 tion 235; minus

17 “(B) the total reduction in outlays from such  
18 Trust Fund during the preceding fiscal year which  
19 are attributable to the application of the amend-  
20 ments made by section 2(b) of the Economic Secu-  
21 rity for New Parents Act.

22 “(2) The amount appropriated to the Federal Old-  
23 Age and Survivors Insurance Trust Fund under para-  
24 graph (1) shall be determined by the Secretary of the

1 Treasury in consultation with the Chief Actuary of the So-  
2 cial Security Administration.”.

3 (d) EFFECTIVE DATE.—The amendments made by  
4 this section shall apply to calendar years beginning after  
5 December 31, 2019.

6 **SEC. 3. TAXATION OF PARENTAL LEAVE BENEFIT PAY-**  
7 **MENTS.**

8 (a) IN GENERAL.—Section 86 of the Internal Rev-  
9 enue Code of 1986 is amended—

10 (1) in subsection (d)(1)(A), by inserting “(or, in  
11 the case of section 235 of the Social Security Act,  
12 a single benefit payment)” after “a monthly ben-  
13 efit”; and

14 (2) by adding at the end the following new sub-  
15 section:

16 “(g) PARENTAL LEAVE BENEFIT PAYMENTS.—In  
17 the case of a taxpayer who receives a parental leave benefit  
18 under section 235 of the Social Security Act during the  
19 taxable year, the base amount and adjusted base amount,  
20 as described in subsection (c), for such taxable year shall  
21 be determined by multiplying the dollar amounts otherwise  
22 applicable under paragraphs (1) and (2) of such sub-  
23 section by 2.”.

1       (b) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to taxable years beginning after  
3 December 31, 2019.

○