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

IN THE SENATE OF THE UNITED STATES

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

A BILL

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

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

SECTION 1. SHORT TITLE.

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

SEC. 2. PARENTAL LEAVE BENEFIT PAYMENTS.

(a) In General.—Title II of the Social Security Act
(42 U.S.C. 401 et seq.) is amended by adding at the end
the following new section:
“SEC. 235. PARENTAL LEAVE BENEFIT PAYMENTS.

“(a) IN GENERAL.—Any individual who—

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

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

“(3) has provided the Commissioner with the information described in paragraph (3) of such subsection;

shall be entitled, subject to subsection (f), for such a benefit under this section.

“(b) BENEFIT AMOUNT.—

“(1) IN GENERAL.—The amount of the parental leave benefit under this section shall be an amount equal to the applicable percentage of the primary insurance amount for the eligible parent (as determined under section 215) for the month preceding the month in which the information described in subsection (c)(3) is received by the Commissioner, as though such parent had attained age 62 in such month.

“(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the applicable percentage shall be—
“(A) in the case of an eligible parent who takes leave to provide care for a child for a period described in item (aa) of subsection (c)(1)(A)(ii)(II), 150 percent; or

“(B) in the case of an eligible parent who takes leave to provide care for a child for a period described in item (bb) of such subsection, 300 percent.

“(3) Reduction in Benefit Amount on Account of Disability Insurance Benefits.—The amount of any parental leave benefit under this section shall be reduced by the amount, if any, of any disability insurance benefits under section 223 of the Social Security Act (42 U.S.C. 423) received by an eligible parent during the calendar year in which the parental leave benefit is received by such parent.

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

“(e) Administration.—

“(1) Application.—

“(A) In General.—An application for a parental leave benefit shall include—
“(i) a statement that the applicant
anticipates giving birth to or becoming the
parent of a child;

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

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

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

“(aa) 1 month; or

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

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

“(B) TWO-PARENT HOUSEHOLD.—In the
case in which both eligible parents of a child
elect to receive a parental leave benefit under
this section, the leave requirement under sub-
paragraph (A)(ii)(II) shall be applied to such
parents jointly.

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

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

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

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

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

“(3) **NOTIFICATION.**—Not later than 52 weeks
following the date of the birth or adoption of the
child, an individual who has submitted an applica-
tion under paragraph (1) shall provide the Commis-
sioner with—
“(A) the name and the date of the birth or adoption of the child;

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

“(C) a copy of the birth certificate or other documentation demonstrating that the individual is the parent of the child.

“(4) PAYMENT.—The Commissioner shall provide payment to the eligible parent of—

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

“(B) not later than 30 days after the payment described in subparagraph (A), 50 percent of the parental leave benefit.

“(5) REVIEW.—All final determinations of the Commissioner under this subsection shall be reviewable according to the procedures set out in section 205.

“(6) MINIMUM PERIOD OF LEAVE.—The Commissioner may publish rules, regulations, or guidance or take other actions in order to ensure that any eligible parent (or, for purposes of paragraph
(1)(B), both eligible parents) claiming a benefit under this section takes leave from employment for a period of not less than the number of months provided under paragraph (1)(A)(ii)(II), including directly contacting the employer of such parent or offsetting overpayments against future social security benefits.

“(d) ELIGIBLE PARENT.—

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

“(2) REQUIREMENT FOR QUARTERS OF COVERAGE.—The requirement described in this paragraph is that the individual shall have not less than—

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

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

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

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

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

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

“(ii) an individual who legally adopts a child; who is the legal guardian of the child and who has the same principal place of abode as the child for more than ½ of the taxable year.

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

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

“(2) GREATER BENEFITS ALLOWED.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any contract, collective bargaining agreement, or employment benefit program or plan that provides greater benefits for leave or other leave rights to individuals than the
benefits for leave or leave rights established under this Act.

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

(b) DELAYED ELIGIBILITY FOR OLD-AGE INSURANCE BENEFITS.—

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

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

“(i) the retirement age with respect to such individual shall be deemed to be—

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

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

“(ii) the early retirement age with respect to such individual shall be deemed to be—
“(I) the early retirement age determined with respect to such individual under paragraph (2); plus

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

“(B)(i)(I) For purposes of subparagraph (A), the parental leave benefit adjustment of the individual shall be equal to the sum of any adjusted benefit months of such individual.

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

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

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

“(ii) The parental leave benefit ratio for each calendar year shall be the amount, as determined by
the Chief Actuary of the Social Security Administration, needed to ensure that the total amount of annual outlays from the Federal Old-Age and Survivors Insurance Trust Fund which are attributable to parental leave benefit payments under section 235 are equivalent to the subsequent reduction in outlays from such Trust Fund which are attributable to the application of the amendments made by section 2(b) of the Economic Security for New Parents Act.

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

(2) Delayed Retirement Credits.—Section 202(w) of the Social Security Act (42 U.S.C. 402(w)) is amended by inserting after “age 70” each place it appears the following: “(or, in the case of an individual described in subparagraph (A) of paragraph (4) of section 216(l), age 70 plus the parental leave benefit adjustment determined under subparagraph (B) of such paragraph)”.

(3) Voluntary Suspension of Benefits.—Section 202(z)(1)(A)(i) of the Social Security Act (42 U.S.C. 402(z)(1)(A)(i)) is amended by inserting
after “the age of 70” the following: “(or, in the case of an individual described in subparagraph (A) of paragraph (4) of section 216(l), the age of 70 plus the parental leave benefit adjustment determined under subparagraph (B) of such paragraph)”.

(c) Transfers to Federal Old-Age and Survivors Insurance Trust Fund.—Section 201 of the Social Security Act (42 U.S.C. 401) is amended by adding at the end the following new subsection:

“(o)(1) For each fiscal year, there is hereby appropriated to the Federal Old-Age and Survivors Insurance Trust Fund, out of any moneys in the Treasury not otherwise appropriated, an amount (not less than zero) equal to—

“(A) the total amount of outlays from the Federal Old-Age and Survivors Insurance Trust Fund during the preceding fiscal year which are attributable to parental leave benefit payments under section 235; minus

“(B) the total reduction in outlays from such Trust Fund during the preceding fiscal year which are attributable to the application of the amendments made by section 2(b) of the Economic Security for New Parents Act.
“(2) The amount appropriated to the Federal Old-Age and Survivors Insurance Trust Fund under paragraph (1) shall be determined by the Secretary of the Treasury in consultation with the Chief Actuary of the Social Security Administration.”.

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

SEC. 3. TAXATION OF PARENTAL LEAVE BENEFIT PAYMENTS.

(a) IN GENERAL.—Section 86 of the Internal Revenue Code of 1986 is amended—

(1) in subsection (d)(1)(A), by inserting “(or, in the case of section 235 of the Social Security Act, a single benefit payment)” after “a monthly benefit”, and

(2) by adding at the end the following new subsection:

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

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