

**Subject** Dependent care carryover

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## Summary

This bill would require employers to allow employees to carry over unused dependent care flexible spending account (FSA) benefits from 2020 into 2021 and from 2021 into 2022. A dependent care FSA is a pretax benefit account that can be used to pay for eligible expenses such as day care, preschool, or child or adult dependent care services. Under the Consolidated Appropriations Act, 2021, employers may allow employees to carryover unused amounts from 2020 and 2021 to pay for eligible dependent expenses in 2021 and 2022 without impacting the plan's tax status. This bill would make it mandatory for employers to provide this option.