

Getting To Paid Family Leave, Much Work Remains

February 5th marks the 27th anniversary of the Family and Medical Leave Act (FMLA), landmark legislation that gave many workers access to unpaid job-protected leave to care for a new child or to address their own illness or the illness of a relative. FMLA remains an important step forward in workers' rights because it covers <u>more than half of the workforce</u> while <u>improving maternal health</u> and <u>reducing infant mortality</u>. But the US remains the only industrialized country without a single national *paid* leave policy for at least one parent of a newborn. In the absence of federal action for 27 years, eight states and DC have passed paid family leave policies, covering 33.6 million people.

Now, following momentum building in the states, members of Congress from both parties have sponsored the FAMILY Act which would provide workers with 12 weeks of paid leave, replacing 66 percent of the worker's income while on leave. Advocates are focusing their energies on improving this extremely promising piece of legislation and working toward passing it through the launch of a <u>national campaign</u> to win a national paid leave program similar to what is found in the FAMILY Act. There is growing recognition that while state paid leave laws show the promise and possibility of paid leave programs, one should not have to win the geography lottery to have access to paid leave.

Learning from State Paid Leave Programs

While state paid leave programs vary in significant respects, there are a number of lessons federal policymakers can learn from states' experiences:

• Paid leave plans help keep new parents out of poverty.

A recent study from the <u>Social Service Review</u> showed that California's modest paid leave program reduced the risk of mothers of 1-year-olds falling into poverty by 10.2 percent and increased their household's income by 4.1 percent after birth. This finding is consistent with other <u>research</u> that showed that paid leave helped reduce poverty for new parents in 18 OECD countries from 1978-2008.

• Paid leave policies also benefit women of all incomes.

Paid leave is associated with making it more likely that women stay attached to the labor force. A <u>study</u> of California's paid leave program showed that after implementation, new mothers were 18 percentage points more likely to be working one year after birth and saw their hours at work increase by 18 percent two years after birth.

Progressive wage replacement, a robust definition of family, and stronger job protections, are key components of comprehensive and inclusive paid leave policies.

Wage replacement

Losing a significant fraction of one's income for a week or longer makes paid leave unaffordable for many workers, particularly those at the bottom of the income spectrum. Policymakers could look to <u>Oregon</u> which will guarantee 100 percent wage replacement for workers who earn up to 65 percent of the statewide average wage when that state's law goes into effect in 2023. Progressive wage replacement makes it easier for lowincome workers to benefit from paid leave.

The definition of family

Some states, like <u>New Jersey and Oregon</u>, include provisions that allow covered individuals to take leave to care for someone with whom they have a close association. This makes it possible for more people in the LGBTQ community and in non-nuclear family structures to have access to paid leave to welcome a new child or to deal with their own serious illness or that of an individual with whom they have a close family or family-like relationship.

Strong job protection

Some state programs and federal proposals, including the <u>FAMILY Act</u>, do not include access to job protection for all workers on paid leave. Workers are only guaranteed that they can return to their jobs if they qualify for FMLA, which a substantial number of workers, mostly low-income, do not due to certain employer schemes like franchising to dodge employer size and job tenure requirements in the FMLA. Policymakers at the federal level should follow the lead of states like <u>New York and Rhode Island</u> that have expanded job protection beyond FMLA.

Beware of Imitations

Conservatives in Congress also recognize the working families' need for paid family leave. Most recently, Senators Cassidy and Sinema have introduced an alternative to the FAMILY Act that they claim provides paid family leave. However, this legislation – which only addresses parental leave – is not a paid leave program; it is a loan program. <u>The Cassidy-Sinema bill offers a loan</u> to new parents to cover the cost of leave for 12 weeks, which they must then pay back through a cut to their Child Tax Credit (CTC) benefits over 10 to 15 years. Losing part of the Child Tax Credit seriously damages low-income families' ability to adequately provide for their children and make ends meet. This would also disincentivize workers from taking leave because many will not be able to afford to lose money over the next few years. Further, covering only "new parents" is radically more exclusionary than any bill passed in the United States to this point in history. Ignoring these leave claims is serious because <u>75 percent of FMLA claims</u> are to care for someone other than a new child.

The FAMILY Act, on the other hand, represents the best chance to pass a national paid family leave program that provides new benefits to families without asking them to sacrifice their financial futures. It has <u>bipartisan</u> support in Congress and will allow families to take paid leave to welcome a newborn, foster or adopted child, or to care for themselves or a family member with a serious medical concern. Amendments to the FAMILY Act to be considered by Congress will allow for a higher wage replacement for low-income workers, a more inclusive definition of family, and expansion of job protection to more workers. Advocates are working to ensure that these amendments are in the final version of the bill, which they hope will become law by <u>2023</u>.

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