



## Support the Family and Medical Insurance Leave (FAMILY) Act

February 9, 2017

Dear Representative:

On behalf of the 170,000 bipartisan members and supporters of the American Association of University Women (AAUW), I urge you to **cosponsor the Family and Medical Insurance Leave (FAMILY) Act**. The FAMILY Act would establish a self-funding paid family and medical insurance program. A national paid leave program would help to eliminate employees' fears of losing their jobs or risking their economic security in order to take necessary time off work. Ultimately, this act will benefit workers, their families, businesses, and our economy.

The workforce has continued to change since the Family and Medical Leave Act (FMLA) was signed into law in 1993. FMLA currently provides eligible workers with up to 12 weeks of unpaid job-protected leave for medical and parental purposes. However, FMLA is not enough – even when covered, many employees cannot afford to take unpaid leave that jeopardizes their family's economic security.<sup>1</sup> Furthermore, many Americans do not qualify for FMLA. Our current system is not meeting the basic health and economic needs of workers and their families.

The FAMILY Act would provide workers with up to 12 weeks of partial income replacement when they take time off for serious health conditions or caregiving purposes. The income replacement would amount to 66 percent of an individual's monthly wages, up to a capped amount for high-wage earners. The FAMILY Act would cover workers in all companies no matter the size. The program would be funded by small employee and employer payroll contributions of two-tenths of one percent each or about \$1.50 per week for the average worker. It would be administered through a new Office of Paid Family and Medical Leave within the Social Security Administration.

A federal paid leave program will build stronger families, healthier workers, and successful businesses. Paid leave contributes to improved newborn and child health. Mothers who have paid leave are more likely to take the amount of time recommended by doctors, and their children are more likely to receive medical check-ups and immunizations.<sup>2</sup> Paid leave also allows ill or injured adults time to recover. In addition, it enables people to help their loved ones, including older family members with health problems, recover from illness and avoid complications and hospital readmissions, which reduces health costs.<sup>3</sup> Lastly, paid leave keeps people in their jobs while reducing turnover costs. Companies typically pay about one-fifth of an employee's salary to replace that employee.<sup>4</sup> In California, one of the three states where a successful family leave insurance program exists, workers in low-wage, high-turnover industries are much more likely to return to their jobs after using the state's program.<sup>5</sup>

The FAMILY Act is a much needed next step toward supporting families and building successful businesses. Paid leave can contribute to healthier outcomes and long term economic security. I urge you to **cosponsor the Family and Medical Insurance Leave (FAMILY) Act**

Cosponsorship and votes associated with this legislation may be scored in the AAUW Action Fund *Congressional Voting Record* for the 115th Congress. Please do not hesitate to contact me at 202/785-7720, or Anne Hedgepeth, senior government relations manager, at 202/785-7724, if you have any questions.

Sincerely,



Lisa M. Maatz  
Vice President for Government Relations

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<sup>1</sup> AAUW. (2015). AAUW Issues: *Work Life Balance*.

[www.aauw.org/what-we-do/public-policy/aauw-issues/work-life-balance/](http://www.aauw.org/what-we-do/public-policy/aauw-issues/work-life-balance/)

<sup>2</sup> Gomby, D., & Pei, D. (2009). Newborn Family Leave: Effects on Children, Parents, and Business.

[www.packard.org/wp-content/uploads/2011/06/NFLA\\_fullreport\\_final.pdf](http://www.packard.org/wp-content/uploads/2011/06/NFLA_fullreport_final.pdf) and Berger, L., Hill, J., & Waldfogel, J. (2005). Maternity Leave, Early Maternal Employment and Child Health and Development in the US. *The Economic Journal*, 115(501), F44.

<sup>3</sup> Institute of Medicine. (2008). Retooling for an Aging America: Building the Health Care Workforce.

[www.iom.edu/Reports/2008/Retooling-for-an-Aging-America-Building-the-Health-Care-Workforce.aspx](http://www.iom.edu/Reports/2008/Retooling-for-an-Aging-America-Building-the-Health-Care-Workforce.aspx)

<sup>4</sup> Boushey, H., and Glynn, S. (2012). There Are Significant Business Costs to Replacing Employees. Center for American Progress. [www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf](http://www.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf)

<sup>5</sup> Appelbaum, E., and Milkman, R. (2011). Leaves That Pay: Employer and Worker Experiences with Paid Family Leave in California. [www.cepr.net/index.php/publications/reports/leaves-that-pay](http://www.cepr.net/index.php/publications/reports/leaves-that-pay)