

To: Senate Finance Committee

Exploring Paid Leave: Policy, Practice, and Impact on the Workforce
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Organizational Endorsements of the FAMILY Act

On behalf of the undersigned organizations and the tens of millions of working families we represent, we **write in strong support of the Family And Medical Insurance Leave (FAMILY) Act**. The FAMILY Act would create a national paid family and medical leave insurance program to help ensure that people who work can take the time they need to address serious health and caregiving needs. It would help support working families' economic security, promote racial and gender equity, create a more level playing field for businesses of all sizes and strengthen our economy. The FAMILY Act is the national paid family and medical leave plan voters want and our country needs.

The benefits of paid family and medical leave are well documented, yet the vast majority of working people in the United States do not have access to this basic protection. More than 100 million people – or 73 percent of workers – do not have paid family leave through their jobs, and nearly 60 percent lack access to paid personal medical leave through their employer.¹ Access rates for workers in lower-wage jobs are even lower, and advances over the past decade have been concentrated among higher-paid employees, creating even greater disparities between lower- and higher-paid workers.² Even unpaid leave through the Family and Medical Leave Act (FMLA) is inaccessible to 44 percent of working people because of eligibility restrictions, and many who are eligible cannot afford to take unpaid leave.³ This means that when serious personal or family health needs inevitably arise, people face impossible choices between their families' well-being, their financial security and their jobs.

Women of color are especially harmed by the lack of paid leave. Racial disparities are stark in meaningful access to leave: about 54 percent of Asian and Pacific Islander workers, 64 percent of Native American workers, 66 percent of Black workers and 69 percent of Latinx workers are either not eligible for or cannot afford to take unpaid FMLA leave.⁴ And even while women of color are so often key breadwinners for their families,⁵ they continue to face punishing wage gaps: for every dollar paid to white men, Asian American, Native Hawaiian and Pacific Islander women are paid as little as 52 cents, as Burmese women are, and overall just 80 cents for every dollar paid to white, non-Hispanic men, Black women 64 cents, Latina women 54 cents and Native American women just 51 cents.⁶ The combination of inequities, including the racial wealth gap, and discrimination also means that families of color may be less able to withstand the financial hardship associated with a serious family or medical event and struggle more to recover their stability afterward.⁷

Paid leave is also an essential support for disabled workers. Disabled workers are also more likely to work in low-wage jobs without access to paid leave. Disabled workers are disproportionately harmed by a lack of paid leave policies that allow them to take care of not only themselves but also their loved ones. The 10 occupations employing the most disabled women pay, on average, \$41,200 per year – \$15,800 less than the average annual wage across the 10 most-common occupations for non-disabled men.⁸ In 2020, disabled people overall earned about 74 cents for every dollar a non-disabled person is paid.⁹ Disabled people are also less likely to be able to come up with emergency funds for unexpected needs.¹⁰ Nationally, subminimum wage for disabled workers is also still permitted. Employment discrimination and payment inequities contributed to the critical need for a paid leave infrastructure for disabled women and their families.

The coronavirus pandemic has highlighted the consequences faced by working people when they lack access to paid leave. Even with widespread access to the COVID-19 vaccine, long-term health and caregiving consequences of the pandemic continue to impact public health and our economy. An estimated 10 to 33 million adults in the United States are affected by long COVID symptoms, including two to four million who are out of work due to long COVID.¹¹ In part due to long COVID, people with disabilities are a growing share of the population and the labor force.¹²

The FAMILY Act would create a strong, inclusive national paid family and medical leave insurance program and set a nationwide paid leave baseline. Workers would earn partial pay, for a limited period of time (up to 60 workdays, or 12 workweeks in a year) to address their own serious health issue, including pregnancy or childbirth; to deal with the serious health issue of a family member, including chosen family; to care for a new child; to address the effects of domestic violence, sexual assault or stalking; and for certain military caregiving and leave purposes. The lowest-paid workers would earn up to 85 percent of their normal wages, with the typical full-time worker earning around two-thirds of their wages. Workers who have been at their job for more than 90 days will have the right to be reinstated following their leave, and all workers will be protected from retaliation. Employees, employers, and self-employed workers would fund both the benefits and the administrative costs of the program by contributing a small amount in each pay period to a self-sustaining fund, administered through a new Office of Paid Family and Medical Leave. Eligibility rules would allow younger, part-time, low-wage and contingent workers to contribute and benefit, regardless of their employer's size or their length of time on the job. States with existing paid leave programs would be empowered to continue running them.

The FAMILY Act builds on data and lessons from successful state programs. California has had a paid family and medical leave insurance program in place since 2004, New Jersey since 2009, Rhode Island since 2014, New York since 2018, Washington and the District of Columbia since 2020, Massachusetts since 2021, Connecticut since 2022, and Oregon since September 2023. And momentum continues to grow: Colorado passed a paid leave law in 2020, Maryland and Delaware in 2022, and Minnesota and Maine in 2023. Evidence from the existing state programs shows their value and affordability; all are financially sound and self-sustaining, and

each state that has paid leave in place has or is exploring ways to make it even more accessible to people who need family leave.¹³ Analyses of California's law show that both employers and employees benefit from the program.¹⁴ In New Jersey, the program's costs have been lower than expected,¹⁵ and in New Jersey and New York, small business support for paid leave programs increased after the pandemic began.¹⁶ Research on Rhode Island's program found positive effects for new parents, and a majority of small- and medium-sized employers were in favor of the program one year after it took effect.¹⁷ Paid leave programs also helped states quickly address health and caregiving needs in the early stages of the pandemic.¹⁸

The FAMILY Act would address the range of care needs people face, including the growing need to provide elder care. Changing demographics mean more adults will need elder care and the number of potential family caregivers is shrinking: For every person age 80 and older, the number of potential family caregivers will fall from about seven in 2010 to four by 2030, and then to less than three by 2050.¹⁹ It is also important to note that about three-quarters of people who take family or medical leave each year do so for reasons other than maternity or paternity care, taking leave to care for family members with serious illnesses, injuries or disabilities or for their own serious health issue.²⁰ The majority of parents, adult children and spouses who provide care for ill family members or family members with disabilities also have paying jobs, and on average work more than 30 hours per week while also managing their caregiving responsibilities.²¹ The majority of military caregivers – and more than three-quarters of caregivers for post-9/11 wounded warriors – are also in the labor force.²²

The FAMILY Act would support improved health outcomes and could lower health care costs. New mothers who take paid leave have improved overall health, reduced likelihood of re-hospitalization and of postpartum depression, and lower likelihood of reporting intimate partner violence.²³ Their children are more likely to be breastfed, receive medical check-ups and get critical immunizations.²⁴ When children are seriously ill, the presence of a parent shortens a child's hospital stay by 31 percent;²⁵ active parental involvement in a child's hospital care may head off future health problems, especially for children with chronic health conditions,²⁶ and thus reduce costs. Paid leave also lets people support older family members with serious health conditions, helping them fulfill treatment plans, manage their care, and avoid complications and hospital readmissions.²⁷ Research has found that California's paid leave program reduced nursing home utilization.²⁸ And, for the millions of families in communities that are struggling with opioid and other substance use disorders, paid leave supports family caregivers, who play a key role in care and recovery by helping loved ones with health care arrangements and treatment.²⁹

The FAMILY Act would also strengthen large and small businesses and support entrepreneurs. Paid leave reduces turnover costs – typically more than one-fifth of an employee's salary³⁰ – and increases employee loyalty. In California, nine out of 10 businesses surveyed reported positive effects or no impacts on profitability and productivity after the state's paid leave program went into effect.³¹ Small businesses reported even more positive or neutral outcomes than larger businesses.³² Small business owners from across the nation expect that the FAMILY Act model would help level the playing field with large corporations; improve

worker retention, productivity and morale; and help protect their economic security if an accident or medical emergency occurs.³³ About two-thirds of small business owners support a national paid family and medical leave policy.³⁴ By including self-employed people, the FAMILY Act would also help entrepreneurs balance the risks of starting a new business with the need to ensure their families' health and security.

National paid family and medical leave has broad support from voters across party lines.

Four out of five 2022 voters support a national paid family and medical leave policy, including 70 percent of Republicans, 76 percent of independents and 89 percent of Democrats.³⁵ And qualitative research shows voters prefer a national plan that covers all family relationships and includes employment protections.³⁶

Working families need a nationwide paid family and medical leave standard that is comprehensive, inclusive, and sustainable. The FAMILY Act is the only national paid family and medical leave proposal that reflects what most people in the United States need. We urge you to co-sponsor this essential legislation today, to push for swift and thorough consideration that surfaces the best practices and lessons learned from state policies, and to reject inadequate proposals that would fail to meet the needs of the nation's workforce, families or businesses – and that would do more harm than good.

Sincerely,

National:

1,000 Days, an Initiative of FHI 360
American Academy of Pediatrics
American Association of University Women
American Civil Liberties Union
American Muslim Health Professionals
American Public Health Association
Asset Building Strategies
Campaign for a Family Friendly Economy
Caring Across Generations
Center for American Progress
Center for Biological Diversity
Center For Economic And Policy Research
Center for Law and Social Policy (CLASP)
Center for Science in the Public Interest
CenterLink: The Community of LGBTQ Centers
ChangeLab Solutions
Child Welfare League of America
Children's Defense Fund
Coalition on Human Needs
Coalition of Labor Union Women, AFL-CIO
COVID Survivors for Change

Equal Rights Advocates
Family Values @ Work
Family Values @ Work Action
Federally Employed Women (FEW)
First Focus Campaign for Children
FreeFrom
Futures Without Violence
The Gerontological Society of America
Health Care Voices
Human Rights Campaign
Interfaith Center on Corporate Responsibility
International Brotherhood of Teamsters
Institute for Women's Policy Research
Ipas
Jacobs Institute of Women's Health
Jobs With Justice
Justice for Migrant Women
La Leche League of the United States of America, Inc
Lactation Education Resources
Latter-day Saint Democrats
League of Women Voters of the United States
Main Street Alliance
March for Moms
March of Dimes
MomsRising
Mom Congress
Movement Advancement Project
National Association of Social Workers
National Center for Lesbian Rights
National Coalition Against Domestic Violence
National Community Reinvestment Coalition (NCRC)
National Council of Jewish Women
National Education Association
National Employment Law Project
National Immigration Law Center
National Network to End Domestic Violence
National Organization for Women
National Partnership for Women & Families
National Respite Coalition
National Women's Law Center
NETWORK Lobby for Catholic Social Justice
Oxfam America
Paid Leave for All
PAVE

PFLAG National
PHI
Positive Women's Network-USA
Prevent Child Abuse America
Prosperity Now
Public Advocacy for Kids (PAK)
Public Justice Center
Reproductive Freedom for All
ROC United
Service Employees International Union (SEIU)
Shriver Center on Poverty Law
Sojourners
SPAN Parent Advocacy Network
T'ruah: The Rabbinic Call for Human Rights
The Collaborative
The National Domestic Violence Hotline
The National Women's Health Network
UnidosUS
United Food and Commercial Workers International Union (UFCW)
U.S. Breastfeeding Committee
USOW
Washington Premier Group
Workplace Fairness
Young Invincibles
YWCA USA
ZERO TO THREE

Alaska:

Alaska Children's Trust

California:

BreastfeedLA
Golden State Opportunity
Legal Aid at Work

Colorado:

Clayton Early Learning

Florida:

Florida Alliance for Community Solutions, Inc.

Illinois:

AIDS Foundation Chicago
Prevent Child Abuse Illinois

YWCA Champaign County

Indiana:

AAUW Indiana
AAUW Indianapolis
AAUW Valparaiso
Healthier Moms and Babies
Indiana Association of Area Agencies on Aging
Indiana Coalition Against Domestic Violence
Indiana Community Action Poverty Institute
MCCOY (Marion County Commission on Youth, Inc.)
Sisters of St. Francis, Oldenburg
Thrive Alliance

Kansas:

First 1,000 Days Kansas/Kansas Breastfeeding Coalition

Kentucky:

United Food and Commercial Workers Local 227

Massachusetts:

Jewish Alliance for Law and Social Action

Michigan:

Oakland Forward Action Fund

Missouri:

Healthy Nourishments, LLC

New Jersey:

Family Voices NJ
New Jersey Citizen Action
NJ Time to Care Coalition

North Carolina:

North Carolina Justice Center

Pennsylvania:

Children First PA
Women's Law Project

Rhode Island:

Rhode Island KIDS COUNT

Vermont:

Hunger Free Vermont
Voices for Vermont's Children

Virginia:

Virginia Breastfeeding Coalition

Washington:

Breastfeeding Coalition of Washington

West Virginia:

TEAM for West Virginia Children

Wisconsin:

Seventh Generation Interfaith Coalition for Responsible Investment

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