



TO: Women's Bureau, Department of Labor

RE: Response to Request for Information: Paid Leave. Submitted by National Center for Children in Poverty, Bank Street Graduate School of Education, RIN 1290-ZA03

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ABOUT US

The National Center for Children in Poverty (NCCP) is a nonpartisan, public policy research center founded at Columbia University's Mailman School of Public Health and now housed at the Bank Street Graduate School of Education. NCCP conducts research and translates the findings into actionable recommendations that advocates and policymakers use to improve the lives and futures of low-income children and their families. We delve into issues that contribute to child poverty and make sure our ideas reach those in a position to make meaningful change that reduces the number of families experiencing hardship. NCCP employs 7 full time staff, and 7-10 part-time employees. The Bank Street Graduate School of Education employs between 201-500 employees.

We have long conducted meaningful paid family leave research, identifying parameters that work well for low-income families with children. Our publications on this topic include the following:

- Setty, S., Koball, H., Hartig, S., & Sutcliffe, T.J. (2019). *Disability perspectives on paid leave: A qualitative analysis of leave-taking among workers affected by disabilities or serious health conditions*. The Arc of United States. http://nccp.org/publications/pub_1217.html.
- Eyster, K., Fink, S.F., Mason, J., Meyer, L., Reddy, V., Glynn, S.J., Ballantyne, A., Michael, S., Wikstrom, C.W., Koball, H., & Setty, S. (2019). *Meeting the promise of paid leave: best practices in state paid leave implementation*. National Partnership for Women and Families. <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/meeting-the-promise-of-paid-leave.pdf>.
- Wilson-Simmons, R., Setty, S., & Thomas Smith, T. (2018). *Supporting America's low-income working families through universal paid leave* (Chapter in compendium: Our kids, our future: Solutions to child poverty in the U.S.). Child Poverty Action Group and First Focus. <https://static1.squarespace.com/static/5783bb3f46c3c42c527e1a41/t/5acf69fa6d2a73de67916fed/1523542529081/OKOF++Master+Web+Version++April+2018.pdf>.
- Setty, S., Skinner, C., & Wilson-Simmons, R. (2018). Bonding time: Low-income mothers and New Jersey's Family Leave Insurance program. *Community, Work & Family*, 23(2), 141-161. <https://doi.org/10.1080/13668803.2018.1501551>.
- Setty, S., Skinner, C., & Wilson-Simmons, R. (2016). *Protecting workers, nurturing families: Building an inclusive Family Leave Insurance program*. National Center for Children in Poverty. http://nccp.org/projects/paid_leave_publications.html.
- Skinner, C. & Ochshorn, S. (2012). *Building a competitive future right from the start: How paid leave strengthens 21st century families*. National Center for Children in Poverty. http://www.nccp.org/publications/pub_1071.html.
- Skinner, C. and Ochshorn, S. (2012). *Paid family leave: Strengthening families and our future*. National Center for Children in Poverty. http://www.nccp.org/publications/pub_1071.html.



- Fass, S. (2009). *Paid leave in the states: A critical support for low-wage workers and their families*. National Center for Children in Poverty. http://nccp.org/publications/pub_864.html.

[The National Center for Children in Poverty](#) submits this comment in response to the [U.S. Department of Labor Women's Bureau's Request for Information](#). This comment presents findings from research evaluating the effectiveness of current state- and employer-provided paid leave programs, including on how access or lack of access to paid leave programs has affected women and their families. While this response to the Request for Information focuses primarily on family leave for bonding purposes, we encourage DOL Women's Bureau staff to explore our reports to learn more about the benefits of paid leave for workers who take leave to care for ill family members or for themselves.

Overview. The U.S. is the only member nation of the Organization for Economic Co-Operation (OECD) to lack a national paid leave program (Bipartisan Policy Center, 2020). The federal Family and Medical Leave Act (FMLA) provides about 60 percent of the workforce the right to take unpaid, job-protected leave to care for a newborn child, to address their own serious health concern, or to address the serious health concern of a family member, but many cannot afford to take unpaid leave from work and often must choose between their jobs or their health or the health of their families. To bridge this gap, several states have passed their own paid family and medical leave programs to provide partially paid leave for FMLA-covered reasons. The state programs vary in terms of how they are funded, how benefits are administered, the amount of wage replacement offered during leave, the duration of leave, and family members covered under leave provisions, among other dimensions. These state experiments have provided a wealth of evidence on how paid leave programs benefit employers, strengthen family relationships, result in improved maternal and infant health outcomes, contribute to family economic security, and expand equitable access to leave. They also provide evidence on what policy dimensions are best for workers that are left behind in the FMLA.

Paid leave benefits employers. A survey of employers who offer paid family and medical leave (PFML) programs to their workers have found these benefits increase employee retention, attract talented workers, reduce employee turnover, and improve worker morale and productivity (Stroman, Woods, Fitzgerald, Unnikrishnan, & Bird, 2017). Employers in states that operate public PFML programs may face lower costs when providing these benefits to their workers as their costs are offset by the state program, expanding access to workers at businesses with lower profit margins. A national research poll conducted in 2017 found that a majority of small business owners and operators support state-operated PFML insurance pools, in which employees are provided a portion of their wages for leave to care for one's own serious illness or care for a family member (Small Business Majority, 2017).

Research has shown that paid leave programs improve family relationships. Studies have found that state PFML programs increase men's leave-taking (see section titled "State paid leave programs can promote more equitable access to leave"). This is crucial to the healthy development of children as studies have shown that fathers who take longer leaves at the birth of their child are more likely to be more engaged in child care-taking activities later in the child's life (Nepomnyaschy & Waldfogel, 2007; Huerta, Adema, Baxter, Han, Lausten, Lee, & Waldfogel, 2014). Without paid leave programs, only fathers who are more advantaged are likely to take leave for caregiving purposes (Huerta et al., 2014). Another study examining maternity leave and mother-child interactions among American working mothers and their infants found the length of paid maternity leave was directly linked to the quality of mother-child interactions, which is linked with secure attachments, increased empathy levels, and academic

success later in life (Plotka & Busch-Rossnagel, 2018). Recent research also finds benefits to couples as well; fathers in the U.S. who take parental leave to bond with a newborn are 25 percent less likely to see their marriage or relationships end within a few years (Petts, Carlson, & Knoester, 2019).

Paid leave improves maternal and child health outcomes. The evidence on paid leave's benefits to maternal and infant health is prolific. A study on U.S. paid temporary disability insurance programs, which provide partially paid leave for a worker's non-work related injury or serious illness and taken by many expecting and post-partum workers, found that they reduce the share of low birth weight births by 3.2 percent and decrease the likelihood of early term birth by 6.6 percent (Stearns, 2015). Another study found that California's paid family leave program was associated with a significant decrease in hospital admissions for pediatric abusive head trauma (Klevens, Luo, Xu, Peterson, & Latzman, 2016). Research in the U.S. has shown strong associations between paid leave and a higher likelihood of infant immunization and breastfeeding and decreases in maternal depression (Berger, Hill, & Waldfogel, 2005; Ogbuanu, Glover, Probst, Liu, & Hussey, 2011; Dagher, McGovern, & Dow, 2014). These positive outcomes are correlated with the length of leave taken by mothers.

Paid leave improves family economic security. There is evidence that small investments in paid family leave programs may result in fewer children growing up in low resourced households. A 2012 analysis of National Longitudinal Survey of Youth data found that mothers who took paid leave had a lower likelihood of receiving public assistance and were more likely to report wage increases in the year following childbirth than women who did not take leave (Houser & Vartanian, 2012). The same study found that men who returned to work after taking paid family leave had a lower likelihood of receiving public assistance and food stamps in the year following the child's birth, compared with those who took no leave. Moreover, women are more likely to stay in the workforce if they have access to paid leave (Byker, 2016). In NCCP's qualitative study on New Jersey's Family Leave Insurance program, low-income parents who had taken advantage of the program reported that the program helped them meet basic needs, like buying gas for their car and paying utility bills, and provided them with some mental relief (Setty, Skinner, & Wilson-Simmons, 2016).

State paid leave programs can promote more equitable access to leave. FMLA and employer-provided paid leave programs help workers, but they do not do enough to ensure that all workers are able to take leave. In a 2018 Abt Associates survey, low-wage workers commonly reported not being able to take leave for a qualifying FMLA need when they needed it. Among those who reported having an unmet need for leave, 66 percent said it was due to an inability to afford unpaid leave (Brown, Herr, Roy, & Klerman, 2020).

The share of private employers who provide paid family leave is rising. Still, the rate of increase is slow. In 2019, only about 19 percent of U.S. workers have access to employer-sponsored paid family leave, up only 8 percentage points since 2010 (Bureau of Labor Statistics, 2019). In addition, employer-provided leave rarely reaches the workers who may benefit the most from it. Full-time workers and workers in the highest income quartile are more likely to have access to paid family leave than part-time workers and those in the lowest income quartile (Stroman et al., 2017).

There are racial and ethnic disparities in access to employer-provided leave as well. In a study that examined ethnic disparities in leave access controlling for factors like part-time work and work sector, researchers found that Hispanic workers consistently experience lower rates of

paid leave access and use than their White, non-Hispanic counterparts (Bartel, Kim, Nam, Rossin-Slater, Ruhm, & Waldfogel, 2019).

The disparities in access to employer-provided paid leave extend to gender and sexual orientation as well. Only 14 percent of employees are employed by worksites that offer paid paternity leave while 21 percent of employees are employed by worksites that offer paid maternity leave (Brown et al., 2020). Worksites that do provide leave often provide less bonding time for “secondary caregivers” and adoptive and foster parents - which may adversely affect same-sex couples (National Partnership for Women and Families, June 2020).

State paid leave programs have the potential to reduce disparities in access to leave, by providing paid leave to low-income and part-time workers without regard to sector, gender, sexual orientation, or ethnicity, who may not otherwise have access to these benefits through their employers. Research on California’s paid family leave program showed the program resulted in an increase in leave taking among mothers, with the effects most pronounced among non-White mothers, mothers who had less than a college degree, and unmarried mothers (Rossin-Slater, Ruhm, & Waldfogel, 2011). Stearns’ paid temporary disability insurance program study that found benefits to infant health also found that disadvantaged African American and unmarried mothers experienced the greatest effects of that benefit (Stearns, 2015). In addition, another study found California’s paid family leave program increased father-only leave-taking by 50 percent, demonstrating that fathers were more likely to take leave in the first year of their children’s lives when the state program was available (Bartel, Rossin-Slater, Ruhm, Stearns, & Waldfogel, 2015). However, government-sponsored paid leave programs, if designed without low-income or nontraditional workers in mind, also have the potential to unequally distribute benefits, as demonstrated by a study on expansions in Canadian paid family leave which found benefits concentrated among workers with higher incomes (Hanratty & Trzcinski, 2008). There are several policy design elements policymakers should consider when designing accessible leave programs.

Features of paid leave programs that will maximize benefits and ensure equitable access to leave.

- *Ensure adequate funding for paid leave programs through employee and employer contributions.* Sixty-one percent of small businesses surveyed support state paid leave programs funded by both employers and employee contributions, and fifty-six percent support programs funded entirely by employee contributions (Small Business Majority, 2017).
- *Guarantee that employers’ premiums for paid leave insurance programs are uniform.* Many state paid leave insurance programs funded through employer and employee contributions are based on the state’s existing unemployment insurance program, which is an experience rated program. However, premiums for leave programs should not be experience rated as that may increase employers’ premiums if many of their employees take leave, creating a disincentive for organizations to support employee leave-taking (Eyster, Fink, Mason, Meyer, Reddy, Glynn, Ballantyne, Michael, Koball, & Setty, 2019). Keeping employers’ premiums experience rated may negatively impact organizations that employ people with disabilities, women, and/or people of child-bearing age.
- *Provide job-protection under paid leave programs.* In Abt’s 2018 survey, more low-wage workers reported losing their job as a result of taking leave than other workers (18 versus 5 percent) (Brown et al., 2018). In qualitative studies, low-income workers consistently reported valuing long-term job security over short-term paid leave, and reported that the lack of job protection in some state programs, like New Jersey’s,

deterred them from applying for the state program (Setty et al., 2016; Setty, Koball, Hartig, & Sutcliffe, 2019). In addition, caregivers and workers with disabilities highly value the FMLA, in part due to its guarantee for job-protection (Setty et al., 2019).

- *Take measures to decrease bureaucratic confusion.* Simplifying and streamlining the application process will not only decrease the burden of applying for paid leave on employers, employees, and health care providers, but may result in timely disbursement of benefits and cost savings at the administrative levels. Some examples of ways to simplify and streamline application processes are: having an accessible online option to file; notifying those who file for temporary disability due to pregnancy-related reasons to apply for the state's family leave program for bonding; providing drop-down menus and closed-ended responses as much as possible as alternatives to open-ended questions, and implementing integrated data systems for better data sharing across state agencies to minimize requested information from applicants (Eyster et al., 2019).
- *Provide adequate wage replacement.* Without adequate wage replacement, it becomes less likely that low-wage workers and men will take leave. A study on San Francisco's Paid Parental Leave Ordinance, which requires certain employers to supplement the California paid family leave program up to 100 percent of a worker's pay for 6 weeks of parental bonding, found a 28 percent increase in men taking bonding leave, notably higher than the 3-9 percent increases elsewhere in the state (Dow, Goodman, & Stewart, 2017).
- *Fund outreach and awareness campaigns.* While current research shows that state paid leave programs can result in more equitable access to paid leave and, thereby, the benefits of paid leave, there is also a great deal of disparity in awareness and take-up of these programs (Bana, Bedard, Rossin-Slater, & Stearns, 2018). A well-funded awareness program aimed at employers that employ part-time workers, low-wage workers, and disadvantaged minority populations is necessary to normalize leave taking, foster employer buy-in, and increase awareness of the availability of state paid leave programs at large.
- *Provide an expansive, inclusive definition of family.* Paid family leave programs offer leave from work to care for a family member, but the definition of family varies across states. Oregon's newly passed paid leave program offers the most expansive, evidence-based definition of family. The definition is inclusive of minority and immigrant families, who often live with extended families, families living with disabilities, and LGBTQ communities, who are more likely to care for and be looked after family members that are not covered under the FMLA definition of family (Oregon Enrolled House Bill 2005, 2019; Robbins, Durso, Bewkes, & Schultz, 2017; Setty et al., 2019).
- *Establish a national paid leave program.* Having a national standard will not only decrease bureaucratic confusion, but also save employers who have offices in multiple states the time and resources to ensure their policies adhere to local guidelines. The national program should be designed to align with the unpaid FMLA to further reduce confusion and duplication and streamline applications, ultimately reducing the overall administrative paperwork burden for employers, employees, and program administrators. Most importantly, a national paid leave program could ensure that workers, regardless of income, race, or sector, have equal access to paid leave.

These and additional best practices for U.S. paid leave programs, such as allowing for intermittent leave, providing options for self-employed, part-time, and seasonal workers to opt-in to leave programs, and flexible reasons for leave taking inclusive of the needs of families affected by disabilities, are presented in more detail in [Meeting the Promise of Paid Leave: Best Practices in State Paid Leave Implementation](#), [Disability Perspectives on Leave](#), and other NCCP reports listed above.



Thank you for the opportunity to provide information on paid family and medical leave. Please do not hesitate to reach out with any questions.

Sincerely,

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Citations

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