

NATIONAL PAID FAMILY AND MEDICAL LEAVE POLICY

by
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Abstract

Prior research indicates that entitlements for paid family and medical leave following the birth or adoption of a child or medical leave provides substantial labor market benefits. Despite widespread public support for paid leave, the United States remains alone amongst first-world, highly developed countries without a national paid leave policy. A number of US states have adopted their own family and medical leave programs to overcome the gap in benefits to workers with families at the national level. The national paid leave program proposed in this policy memorandum is designed to promote gender equity and workplace equality. In short, this policy recommends through entitlements to provide workers up to 16 weeks of paid family leave to bond with a new baby, newly adopted child, or foster child; provides 16 weeks to care for an employee's own serious health condition; provides up to 12 weeks of paid medical leave to care for a family member with a serious health condition. Paid annual leave is capped at 16 weeks total per year. Wage replacement is 80% of weekly wages up to \$850 per week. This policy is designed to be used with the current Family Medical Leave Act, if required. Paid family and medical leave will be funded by a .075% Payroll Tax increase. While this policy proposal is aggressive compared to other proposed legislation on this issue, it is modest in comparison to other countries programs in both duration and generosity and on par with current state-adopted programs.

Advised by: Professor Paul Weinstein

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Working Title: National Paid Family and Medical Leave Policy
Memo to Senator Elizabeth Warren

Action Forcing Event

The House Committee on Ways and Means held a hearing in May of 2019 in order to receive testimonies from experts on paid family and medical leave. During the hearing, it was established that only 17 percent of American workers receive paid parental or caregiving leave through their employers.¹

Statement of the Problem

The lack of a national paid family and medical leave policy within the United States directly harms workers with family responsibilities and their children. In the US, working families lose nearly \$20.6 billion in wages annually as a result of limited access to paid family and medical leave.² One study asserted that US households experienced a 10% decline in income after childbirth, and single mothers who live without other adults face a 42% drop in wages.³ Many families report they are forced to take extreme financial measures to afford staying home with a newborn or newly adopted child due to the impacts of unpaid parental leave. There are also long-term economic impacts with a lack of access to paid family leave, including lower labor force participation and reduced lifetime earnings in the absence of a national policy for paid leave. The short and long-

¹ U.S. Congress, House of Representatives, Committee on Ways and Means, *Hearing on Paid Family and Medical Leave: Helping Workers and Employers Succeed*, Hearing prepared for Chairman Richard Neal, 116th Cong, 1st sess, 2019. Committee print 116-18.

<https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/19.6.5%20Paid%20Family%20Leave%20Transcript%20FINAL.pdf>

² Sarah Jane Glynn and Danielle Corley, “The Cost of Work-Family Policy Inaction: Quantifying the Costs Families Currently Face as a Result of Lacking U.S. Work-Family Policies” (Washington: Center for American Progress, 2016), available

at <https://www.americanprogress.org/issues/women/reports/2016/09/22/143877/the-cost-of-inaction/>.

³ Stanczyk, Alexandra Boyle. “Does Paid Family Leave Improve Household Economic Security Following a Birth? Evidence from California.” *Social Service Review* 93, no. 2 (2019): 262–304.

<https://doi.org/10.1086/703138>.

term financial and labor market benefits of paid parental leave are evident in every other Organization for Economic Cooperation and Development (OECD) country in which the mothers receive on average 18- weeks of paid parental leave.⁴ In short, unpaid parental leave is not just a woman's issue or anti- small business. On the contrary, it is a financial burden placed on working families in the US that creates lasting and significant economic loss at both the micro and macro-levels that have lasting consequences.

In 2018, only 17% of all workers (both private and government sector) had access to paid parental leave.⁵ Access to paid parental leave impacts the working family differently depending on industry, size of business, employment status, and race/ethnicity. In terms of industry, those laborers working in construction, hospitality, and transportation had the least access to paid parental leave from their employer.⁶ As it relates to size of company in the private sector, 23% of companies with 500 or more employees offer paid parental leave versus 14% at companies with 100-499 employees and 9% at companies with less than 100 employees.⁷ It is extremely important to highlight that unpaid leave adversely impacts minorities and unskilled laborers at higher rates (reference Figure 1). The significance of labor force participation rates details that despite Hispanics having the highest labor force participation rate of 65.9%, Hispanics

⁴ "America Is the Only Rich Country without a Law on Paid Leave for New Parents." The Economist, July 18, 2019. <https://www.economist.com/united-states/2019/07/18/america-is-the-only-rich-country-without-a-law-on-paid-leave-for-new-parents>.

⁵ "Access to Paid and Unpaid Family Leave in 2018." TED: The Economics Daily. Unites States Department of Labor, February 27, 2019. <https://www.bls.gov/opub/ted/2019/access-to-paid-and-unpaid-family-leave-in-2018.htm>.

⁶ DeSilver, Drew. "Access to Paid Family Leave Varies Widely across Employers, Industries." FACTTank: News in Numbers. Pew Research Center, March 23, 2017. <https://www.pewresearch.org/fact-tank/2017/03/23/access-to-paid-family-leave-varies-widely-across-employers-industries/>.

⁷ "Access to Paid and Unpaid Family Leave in 2018." TED: The Economics Daily. Unites States Department of Labor, February 27, 2019. <https://www.bls.gov/opub/ted/2019/access-to-paid-and-unpaid-family-leave-in-2018.htm>.

have the lowest access to paid parental leave.⁸ Of workers who reported needing parental or medical leave in the last two years, 23% of Hispanics and 26% of Blacks said they couldn't afford it as oppose to 13% White, non-Hispanic.⁹ Additionally, 93% of low-wage workers and 94% of part-time workers have zero access to paid family leave.¹⁰ In summary, the lack of a national paid parental leave policy is disproportionately harmful to minorities, low-wage, and part-time workers.

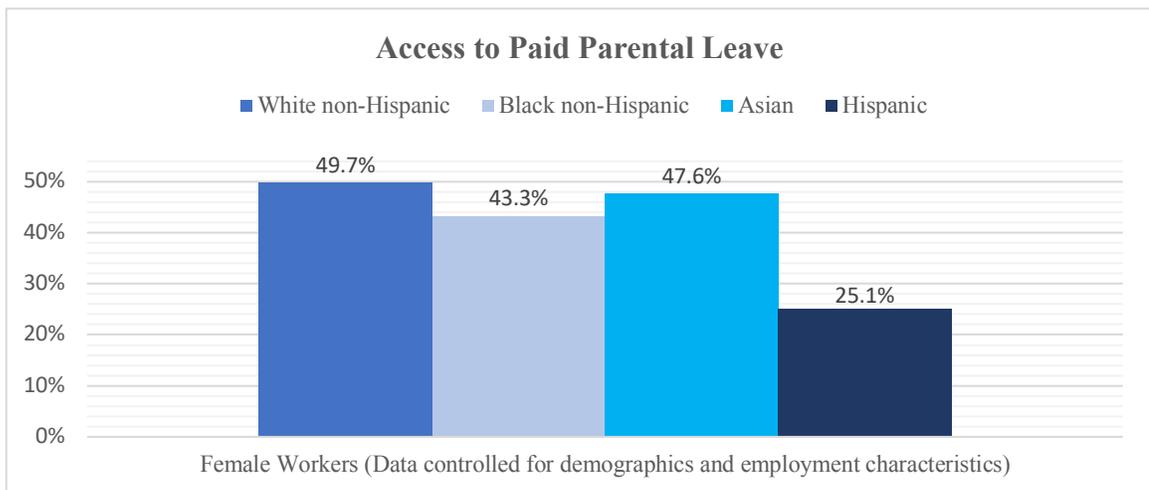


FIGURE 1 SOURCE: AMERICAN PROGRESS- PERCENTAGE OF WORKERS AGE 18 OR OLDER, [HTTPS://WWW.AMERICANPROGRESS.ORG/ISSUES/ECONOMY/REPORTS/2012/11/20/45394/LATINOS-LEAST-LIKELY-TO-HAVE-PAID-LEAVE-OR-WORKPLACE-FLEXIBILITY/](https://www.americanprogress.org/issues/economy/reports/2012/11/20/45394/LATINOS-LEAST-LIKELY-TO-HAVE-PAID-LEAVE-OR-WORKPLACE-FLEXIBILITY/)

The economic disadvantages caused by the lack of a national paid parental policy in the US also causes greater issues in the labor market. Research shows that unpaid leave

⁸ House Ways and Means Committee, 116th Congress, Hour of Representatives, Unidos US Statement Ref Latinos' Need for Paid and Medical Leave (2019). <https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/Unidos%20US%20Statement%20re%20Paid%20Leave.pdf>

⁹ “Paid Family and Medical Leave: A Racial Justice Issue – and Opportunity.” National Partnership.org. National Partnership for Women and Family, August 2018. <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>

¹⁰ Gupta, Pronita, Tanya Goldman, Eduardo Hernandez, and Michelle Rose. “Paid Family and Medical Leave Is Critical for Low-Wage Workers and Their Families .” Clasp.org, December 2018. https://www.clasp.org/sites/default/files/publications/2018/12/2018_pfmliscriticalfor_0.pdf

decreases the likelihood that workers will return to work after childbirth, lowers employee morale, has negative effects on workplace productivity, and increases costs to employers through lower rates of employee retention. Unpaid parental leave increases employee turnover and creates employment disruptions for workers.¹¹ Unpaid leave significantly decreases the probability of working mothers returning to their pre-childbirth jobs, which means women (mothers) wages decline at a faster rate afterward the birth of a child than that of their male counterparts. Other studies have demonstrated that there is a macroeconomic impact with unpaid parental leave that harms domestic productivity and global competitiveness. These labor market issues are a disadvantage to both employee and employer alike as employee turnover is expensive to both.¹² Contrarily, paid leave through private businesses helps the US economy and has consistently demonstrated the economic advantages to paid parental leave. Susan Wojcicki, YouTube CEO, wrote an op-ed in the Wall Street Journal declaring that maternity leave wasn't just good for women, but that it's also good for business. She stated that recent data concluded that when Google "increased paid maternity leave to 18 from 12 weeks in 2007, the rate at which new moms left Google fell by 50%."¹³ Essentially, the lack of a national paid family and medical leave policy causes undesirable economic and labor market outcomes due to the consequences for early maternal employment.

¹¹ Laughlin, Lynda. "Maternity Leave and Employment Patterns of First-Time Mothers: 1961-2008." *Census Bureau Publication- Household Economic Studies*, 2011, 70-128. <https://www.census.gov/prod/2011pubs/p70-128.pdf>.

¹² Boushey, Heather, and Sarah Jane Glynn. "There Are Significant Business Costs to Replacing Employees." *Center for American Progress*, November 16, 2012. <https://cdn.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf>.

¹³ Wojcicki, Susan. "Paid Maternity Leave Is Good for Business." *The Wall Street Journal*. Dow Jones & Company, December 16, 2014. <https://www.wsj.com/articles/susan-wojcicki-paid-maternity-leave-is-good-for-business-1418773756>.

The lack of a paid family and medical leave policy has a damaging effect on infant and child health. Research demonstrates unpaid parental leave can have a considerable negative effects on the health of infants and children and unpaid maternity leave, in particular, diminishes infant health and increases infant mortality rates. According to a study titled “*The Case of Maternal Leave*” conducted in 2011, scientists were able to determine that an increase of 10 full-time-equivalent weeks of paid maternal leave was associated with a 10% lower neonatal and infant mortality rate and a 9% lower rate of mortality in children younger than 5 years of age.¹⁴ Many studies have demonstrated that postnatal and infant health is drastically improved when mothers have access to paid parental care. In particular, one study funded by National Institute of Child Health and Human Development and the William T. Grant Foundation, concluded that paid maternity leave increased the likelihood of infants attending well-baby appointments and infants were 22-25% more likely to get immunized with the polio and measles vaccinations.¹⁵ The absence of a paid parental leave policy causes another major health drawback in terms of breastfeeding rates and duration. Early maternal employment lowers the rate and duration of breastfeeding and increases the risk for sudden infant death syndrome and other illnesses and diseases.¹⁶ Beyond the obvious downsides for families such as shortening infant bonding and maternal health recovery time, research

¹⁴ Heymann, Jody, Amy Raub, and Alison Earle. “Creating and Using New Data Sources to Analyze the Relationship between Social Policy and Global Health: The Case of Maternal Leave.” *Public Health Reports* 126, no. 3_suppl (2011): 127–34. <https://doi.org/10.1177/00333549111260s317>.

¹⁵ Berger, Lawrence M., Jennifer Hill, and Jane Waldfogel. “Maternity Leave, Early Maternal Employment and Child Health and Development in the US.” *The Economic Journal* 115, no. 501 (2005): F29–F47. <https://doi.org/10.1111/j.0013-0133.2005.00971.x>.

¹⁶ Guendelman, S., J. L. Kosa, M. Pearl, S. Graham, J. Goodman, and M. Kharrazi. “Juggling Work and Breastfeeding: Effects of Maternity Leave and Occupational Characteristics.” *Pediatrics* 123, no. 1 (2009): 38–46. <https://doi.org/10.1542/peds.2008-2244>.

supports the above claim that the lack of a paid parental leave policy causes a number of serious and significant health issues for infants and children.

One of the main problems for working mothers without paid parental leave is that that they are forced to use short-term disability, paid time off and/or unpaid leave. All of which place a sense of urgency on mothers, encouraging early maternal employment and rewarding their return to work as soon as possible. Recent research underscores the implication that unpaid parental leave worsens a mother's health. Without access to paid parental leave, mothers aren't afforded time, flexibility, and leniency to choose to breastfeed their newborn. Breastfeeding improves both mental and physical health for the mother both in the near and long-term. One study demonstrated that parental leave can increase the duration and rate of breastfeeding, and that women with paid maternity leave breast-fed twice as long as women who did not have it.¹⁷ The correlation between paid family leave length and mental health showed that early maternal employment increased depression and reduced overall mental health.¹⁸ Also, mothers who breastfeed are less likely to get breast cancer, ovarian cancer, type 2 diabetes and heart disease. In short, women who endure early maternal employment can suffer as a result mental health issues, serious diseases, and physical pain. Convincing evidence illustrates that unpaid parental leave discourages mothers to take leave due to financial restraints, causing both maternal and infant health issues.

¹⁷ Milkman, Ruth, and Eileen Appelbaum. "Paid Family Leave and California Business." *Unfinished Business*, 2013, 55–84. <https://doi.org/10.7591/cornell/9780801452383.003.0004>.

¹⁸ Chatterji, Pinka, and Sara Markowitz. "Family Leave after Childbirth and the Health of New Mothers." *The Journal of Mental Health Policy and Economics* 15 (2012): 61–76. <https://doi.org/10.3386/w14156>.

History and Background

The history of family leave policies in the United States begins with the increase of women in the workforce in the mid-1900s. During World War II, many women entered the labor market to supplement their husbands' salaries and support the war. Since the end of World War II, women's participation in the workforce has increased from 32.7 percent in 1948 to 56.8 percent in 2016.¹⁹ Conversely, the percentage of women working in the labor market whom are over the same time period. In 2018, the percent women with children under age 18 working or looking was 72 percent- only 12 percentage points higher than 40 years earlier.²⁰ Meaning, that while the participation rate of women in the labor market increased over time, the percentage of those women whom were mothers stayed fairly constant (reference Figure 1). This data is significant because it demonstrates the long-standing existence of working mothers in the labor market and the overwhelming demand for parental leave.

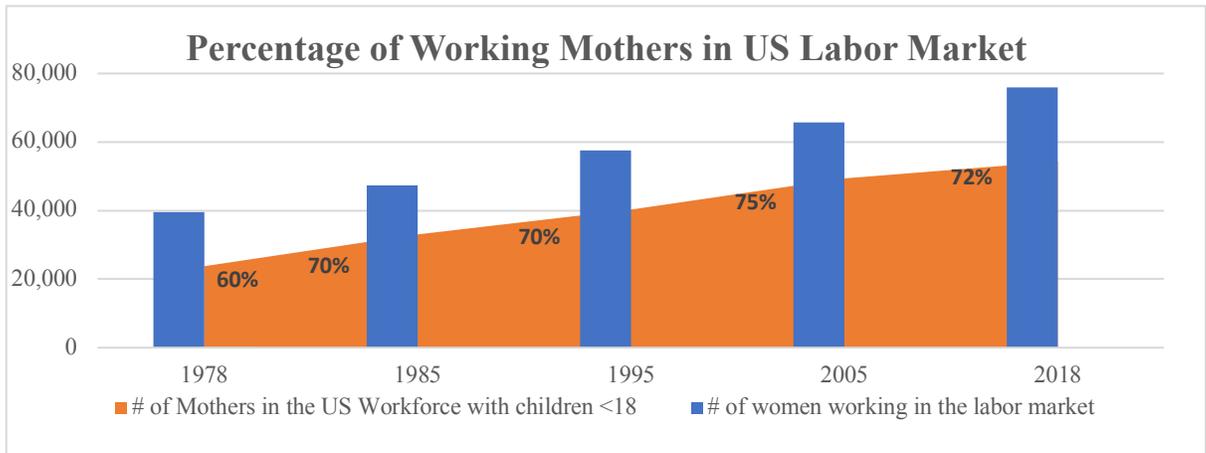


FIGURE 2

SOURCE: DEPARTMENT OF LABOR- STATS ABOUT WORKING WOMEN, [HTTPS://BLOG.DOL.GOV/2017/03/01/12-STATS-ABOUT-WORKING-WOMEN](https://blog.dol.gov/2017/03/01/12-stats-about-working-women) AND [HTTPS://BLOG.DOL.GOV/2017/03/01/12-STATS-ABOUT-WORKING-WOMEN](https://blog.dol.gov/2017/03/01/12-stats-about-working-women)

¹⁹ DeWolf, Mark. "12 Stats about Working Women." 12 Stats about Working Women, March 1, 2017. <https://blog.dol.gov/2017/03/01/12-stats-about-working-women>.

²⁰ "www.bls.gov." *www.bls.gov*. Department of Labor, April 18, 2019. <https://www.bls.gov/news.release/pdf/famee.pdf>.

With more women in the US workforce, employers and policymakers were forced to address the issue of pregnancy on the job. The 1960s feminism movement emphasized this issue and highlighted the need for policy reform in order to protect women in the workforce from unfair and biased treatment.²¹ As a result, in 1972, the Equal Employment Opportunity Commission (EEOC) provided clarifying guidelines under Title VII of the Civil Rights Act of 1964 established clarifying guidelines on the treatment of pregnant workers: “Disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth, and recovery therefrom are, for all job-related purposes, temporary disabilities and should be treated as such under any health or temporary disability insurance or sick leave plan available in connection with employment.”²² Shortly afterwards, Title VII of the Civil Rights Act of 1964 was amended through the Pregnancy Discrimination Act (PDA) of 1978 to formalize these guidelines into law and “prohibit sex discrimination on the basis of pregnancy.”²³

While PDA illegalized the discrimination of employees on the basis of pregnancy, childbirth, or related medical conditions, it did not provide any guidance or protection regarding maternity or family leave. Almost immediately, activists focused their efforts on a family leave bill. In 1984, the Family Medical Leave Act (FMLA) was first drafted to establish a gender-neutral, minimum labor standard to allow workers to care for their

²¹ Pedriana, Nicholas. “Discrimination by Definition: The Historical And Legal Paths to the Pregnancy Discrimination Act of 1978.” *Yale Journal of Law & Feminism* 21, no. I (2009): 2–14.

²² 29 Fed. Reg. 1604.10(b) (April 20, 1979). <https://casetext.com/regulation/code-of-federal-regulations/title-29-labor/subtitle-b-regulations-relating-to-labor-continued/chapter-xiv-equal-employment-opportunity-commission/part-1604-guidelines-on-discrimination-because-of-sex/160410-employment-policies-relating-to-pregnancy-and-childbirth>.

²³ “The Pregnancy Discrimination Act of 1978.” EEOC Laws, Regulations, & Guidance. U.S. Equal Employment Opportunity Commission, October 31, 1978. <https://www.eeoc.gov/laws/statutes/pregnancy.cfm>.

newborns and/ or seriously ill relatives.²⁴ Moreover, it aimed to enhance the protections of working women by removing the employer’s ability to deny employment or promotion due to maternity leave. Over the span of nine years, there were many compromises and revisions of FMLA in terms of benefits and requirements for eligibility. Overtime, a large coalition of powerful supporters placed continued pressure on Congress and the President to adopt FMLA. However, the political landscape was not conducive to passing the law until 1993 when President Clinton was in office and the House of Representatives was under Democratic control. In the end, FMLA of 1993 stipulates that eligible employees can use 12-weeks of unpaid leave in any given 12-month period for care of a seriously-ill family member and for the expansion of your family (reference Figure 3.)²⁵ It is important to note that FMLA was amended in 2015 by the US Department of Labor to ensure that FMLA included spouses from same-sex marriages, regardless of their state of residence.²⁶ In summary, FMLA was the first major piece of legislation that addressed the issue of parental and medical leave.

FMLA Eligibility	FMLA Reasons
<ul style="list-style-type: none"> ❖ Work for a FMLA covered employer: <ul style="list-style-type: none"> ➤ private employers with at least 50 employees ➤ local, state, and federal government agencies ➤ All elementary and secondary schools 	<ul style="list-style-type: none"> ❖ Care for your spouse, child, or parent with serious health condition: <ul style="list-style-type: none"> ➤ Overnight stay in hospital ➤ Medical conditions that incapacitate you for more than three days ➤ Chronic medical conditions ➤ Pregnancy

²⁴ Lenhoff, Donna R., and Lissa R. Bell. “Support for Working Families and for Communities: Family and Medical Leave as a Case Study.” Washington, DC: National Partnership, n.d. <http://www.nationalpartnership.org>

²⁵ “Need Time? The Employee Guide to the Family Medical Leave Act .” dol.gov. United States Department of Labor, n.d. <https://www.dol.gov/whd/fmla/employeeguide.pdf>.

²⁶ “Final Rule to Revise the Definition of Spouse under the FMLA.” Family and Medical Leave Act - Final Rule to Revise the Definition of Spouse under the FMLA - Wage and Hour Division (WHD) - U.S. Department of Labor. U.S. Department of Labor, March 27, 2015. <https://www.dol.gov/whd/fmla/spouse/>.

❖ Employees must have worked for the employer for at least 12 months	❖ Military family leave entitlements such as military deployments
❖ Employees must have worked the employer for at least 1250 hours in the 12 months (24 hours/ week)	❖ Expanding Your Family- must be within one year of birth or placement <ul style="list-style-type: none"> ➤ Birth of a child ➤ Placement of a child for adoption ➤ Placement of a child for foster care
❖ Employees must work at a location where employer has at least 50 employees within 75 miles of the worksite	
❖ Airline employees are subject to special eligibility requirements	

FIGURE 3

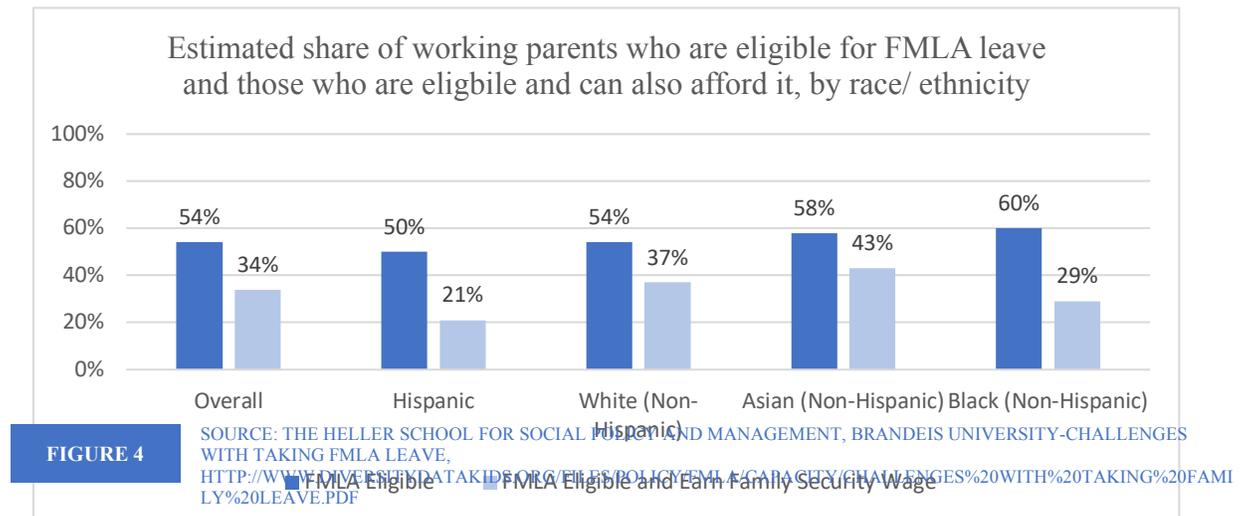
SOURCE: DEPARTMENT OF LABOR- FMLA EMPLOYEE GUIDE, [HTTPS://WWW.DOL.GOV/WHD/FMLA/EMPLOYEEGUIDE.PDF](https://www.dol.gov/whd/fmla/employeeguide.pdf)

While FMLA provides eligible workers the right to job-protected leave for specific reasons, it is important to understand and measure FMLA’s impact on the impacted workforce. The Bureau of Labor Statistics started to track access rates of paid and unpaid parental leave following the enactment of FMLA. The Department of Labor hired a third-party organization to conduct a large-scale research project that would survey employees and worksites to provide an in-depth account and review FMLA’s effectiveness. The survey results discovered two things. First, only 17% of worksites surveyed qualified under FMLA worksite eligibility requirements and 30% of worksites surveyed were unsure if they qualified; secondly, only 13% of employees took leave in the past year for a FMLA reason- 55% for employee’s own illness, 21% for pregnancy or new child, and 24% for care of a family member with a serious illness.²⁷ Additionally, one of the major benefits of FMLA reported in the survey were that employers are required to continue their health benefits during FMLA leave. However, the results of this study highlight the two major drawbacks of FMLA. First, that only “covered” employers are subject to the provisions of FMLA, limiting employees’ access to FMLA

²⁷ Simonetta, Jonathan. “Family and Medical Leave in 2012: Executive Summary.” Accessed October 10, 2019. <https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/FMLA-2012-Executive-Summary.pdf>.

leave. Secondly, of the “covered” employees, only a small percentage were exercising their right to FMLA leave.

This Department of Labor annual study provides the overarching results of the FMLA’s reach within the labor force. However, it is also important to understand FMLA’s nuances in terms of demographics and socioeconomic status. Many workers may be deterred by the unpaid nature of FMLA, especially lower-earning workers. As a result, taking parental leave has different financial implications for FMLA eligible workers (reference Figure 4). Of the 54% of FMLA eligible workers, only 34% can afford to take unpaid parental leave. Hispanic and Black workers are least likely to take unpaid family leave because of the financial constraints unpaid leave places on their family income. This data also demonstrates that unpaid leave is exacerbated amongst minority groups eligible for FMLA. Clearly, there are several barriers that with FMLA that result in unequitable distribution of its intended benefits.



In 1993, FMLA was a positive step in the right direction in terms of basic parental leave rights. One of the major flexibilities with FMLA is that it allows states to set standards that are more expansive than the federal law. Under FMLA, an employer is

required to follow the state legislation if it provides more generous benefits than FMLA. Eleven states and the District of Columbia have adopted some type of state legislation to enhance family and medical leave rights.²⁸ Typically, these laws intersection with the FMLA in many respects but offer additional benefits specific to the state’s population or local employment opportunities. However, there is little uniformity among them. (Reference Appendix A, State Family Medical Leave laws.) Four states launched or approved state legislature for paid family and medical leave.²⁹ As of January 1, 2018, California, New Jersey, New York and Rhode Island- offer paid family and medical leave.³⁰ These state paid family medical leave programs are primarily funded through employee state taxes, in which a portion is allocated into the state’s leave fund and employees can draw from it while on leave from work. Even though there has been noteworthy expansion at the subnational level, most family leave activists carry on the efforts toward the ultimate goal of a national paid leave policy.

Since 1993, there have been many efforts at the congressional level on both side of the political aisle to draft and propose a national paid leave policy. There have been a number of bills proposed to expand the definition and benefits of FMLA to include same-sex spouses, reduce the number of employees to less than 50 on a worksite, or reduce the number of hours required to less than 1,250.³¹ Additionally, there are three major federal

²⁸ “State Family and Medical Leave Laws.” National Conference of State Legislatures. NCSL.org, July 7, 2016. <http://www.ncsl.org/research/labor-and-employment/state-family-and-medical-leave-laws.aspx>.

²⁹ Brainerd, Jackson. “Paid Family Leave in the States.” *National Conference of State Legislatures* 25, no. 31 (August 2017). <http://www.ncsl.org/research/labor-and-employment/paid-family-leave-in-the-states.aspx>.

³⁰ “State Family and Medical Leave Laws.” National Conference of State Legislatures. NCSL.org, July 7, 2016. <http://www.ncsl.org/research/labor-and-employment/state-family-and-medical-leave-laws.aspx>.

³¹ Barbara, Gault, Heidi Hartman, Ariane Hegewisch, Jessica Milli, and Lindsay Reichlin. “Paid Parental Leave in the United States- What the Data Tell Us about Access, Usage, and Economic and Health Benefits.” *Institute for Women's Policy Research*, March 2014. https://www.dol.gov/wb/resources/paid_parental_leave_in_the_united_states.pdf.

parental leave bills proposed from Congress members from both side of the aisle. The first is titled the Family and Medical Insurance Leave Act (FAMILY Act) proposed by Senator Kirsten Gillibrand (D-NY) and Representative Rosa DeLauro (D-CT) modeled after the family and medical leave programs established in New Jersey and California, which would provide workers with up to 12 weeks of paid leave with up to 66 percent of their wage for the same FMLA reasons.³² The second is the New Parents Act, proposed by Senators Rubio (R-FL) and Romney (R-UT) and Representatives Wagner (R-MO) and Crenshaw (R-TX), would allow parents to receive up to three months of paid leave at a prorated wage by deducting from the first 60 months of their retirement benefits.³³ The third major proposed paid family and medical leave bill is titled the Cradle Act proposed by Senators Joni Ernst (R-IA) and Mike Lee (R-UT), which is similar to the New Parents Act because it allows new parents paid leave that lasts one, two or three months in exchange for delaying or reducing future Social Security benefits ³⁴ The biggest difference between the proposed plans is how to pay for the policy, whether it is through a tax or a passed cost to the individual or employer (reference Figure 5).

FEDERAL PARENTAL LEAVE PROPOSED BILL COMPARISON			
TITLE	FAMILY ACT	NEW PARENTS ACT	CRADLE ACT
SPONSOR	Sen. Gillibrand; Rep. DeLauro; and many other Democratic Members of Congress	Sens. Rubio & Romney; Rep. Wagner & Crenshaw	Sens. Ernst & Lee
STATUS	introduced in 114th, 115th, and 116th Congresses	Introduced in 115th and 116th Congresses	Discussion draft in 116th Congress

³² “National Partnership Org.” *National Partnership Org*, September 2019.

<http://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/family-act-fact-sheet.pdf>

³³ “Rubio Unveils Bill Giving Parents an Option for Paid Family Leave.” Rubio.senate.gov. Senator Marco Rubio, August 2, 2018. <https://www.rubio.senate.gov/public/index.cfm/2018/8/english-espa-ol-rubio-unveils-bill-giving-parents-an-option-for-paid-family-leave>.

³⁴ Ernst, Joni, and Mike Lee. “How to Provide Paid Family Leave without Further Indebting the Nation.” *Washington Post*, March 12, 2019. https://www.washingtonpost.com/opinions/how-to-provide-paid-family-leave-without-further-indebting-the-nation/2019/03/12/4ea8ceda-44e4-11e9-aaf8-4512a6fe3439_story.html.

ADMINISTRATION	Establishes Office of Paid Family and Medical Leave within SSA	Administered by SSA	Establishes Office of Paid Parental Leave Policy within SSA
TYPE OF LEAVE	Parental, family, and medical	Parental	Parental
ELIGIBLE BENEFICIARIES	Any individual insured by SSDI with income from employment during the prior year	Any individual insured by SSDI	Any individual insured by SSDI
ELIGIBILITY	NA	Individual must have worked for 1 year preceding arrival of child and 2 years total OR individual must have worked for 3 years total	Individual must have worked for 1 year preceding application for benefits, 5 of the 6 quarters preceding application for benefits, OR 5-years total.
LEAVE DURATION	Up to 3 months per 12-month period. Individuals are required to take leave during the months they receive benefits	Participants may elect to receive 1 to 3 months of benefits per childbirth; they are only required to use the money to spend more time with their child	Participants may elect to receive up to 3 months per 12-month period. Individuals are required to take leave during the months they receive benefits.
BENEFIT	2/3 of wages (minimum, \$580; maximum, \$4,000 per month)	Progressive benefit based on SSDI. Replaces 90% of first \$926 of average monthly income (AIME), 32% of AIME between \$926-\$5,583, and 15% of AIME greater than \$5,580 (maximum \$2,861)	Progressive benefit based on SSDI. Replaces 90% of first \$926 of average monthly income (AIME), 32% of AIME between \$926-\$5,583, and 15% of AIME greater than \$5,580 (maximum \$2,861)
FUNDING MECHANISM	Additional Payroll Tax of .4%	No new tax. Individuals who elect to receive parental benefits pay cost of their benefits with deduction from first 60 months of retirement benefits; alternatively, they may elect to adjust their retirement age to offset the benefit costs	No new tax. The retirement eligibility of individuals who elect to receive parental benefits will be adjusted to offset benefit cost by a factor of two (three months of benefits results in six month delay in eligibility)
JOB PROTECTION/ DISCRIMINATION PROHIBITION	YES	NO	NO

FIGURE 5

SOURCE: THE INDEPENDENT WOMEN'S FORUM, FEDERAL PARENTAL LEAVE BILL COMPARATIVE CHART, [HTTP://PDF.IWF.ORG/FEDERAL%20PARENTAL%20LEAVE%20BILLS_SHORT_P4.PDF](http://PDF.IWF.ORG/FEDERAL%20PARENTAL%20LEAVE%20BILLS_SHORT_P4.PDF)

An additional component of the parental leave issue is how the US compares to other countries' policies. FMLA is not the benchmark parental leave policy throughout the world. In fact, it is quite the opposite. According to a new report by National Public Radio, "Out of 193 countries in the United Nations, only a small handful do not have a national paid parental leave law: New Guinea, Suriname, a few South Pacific island nations and the United States."³⁵ Based on the analysis done by the OECD, the highest

³⁵ "Stretched: Working Parents' Juggling Act." *Countries Around The World Beat The U.S. On Paid Parental Leave*. National Public Radio, October 6, 2016. <https://www.npr.org/2016/10/06/495839588/countries-around-the-world-beat-the-u-s-on-paid-parental-leave>.

ranking parental leave policies are all in Europe with Bulgaria, Greece, United Kingdom, Slovakia, and Croatia being the top in descending order in terms of weeks of and wage paid (reference Figure 6).³⁶ Bulgaria provides 46 weeks of paid maternity leave at full wage-rate to every working mother. More importantly, of the 41 nations evaluated on maternity, paternity and parental leave entitlements, the US ranks at the very bottom. Additionally, while paid leave in the 41 countries was predominately paid leave for mothers, 31 of the countries now include leave earmarked specifically for fathers.³⁷ In most other countries, paid parental leave is primarily funded through a similar type of social security system or in a smaller percentage of countries the employer is required to fund paid parental leave. In summary, while the US is one of the wealthiest countries in the world in terms of both Gross Domestic Product (GDP) and Gross National Income (GNI), it offers the very least to its workers throughout the world in terms of paid parental leave.

³⁶ Toh, Michelle. "Paid Maternity Leave: These Countries Offer the Most Generous Policies." CNNMoney. Cable News Network, January 19, 2018.

<https://money.cnn.com/2018/01/19/news/economy/countries-most-maternity-leave/index.html>.

³⁷ Livingston, Gretchen. "Of 41 Countries, Only U.S. Lacks Paid Parental Leave." Pew Research Center. Pew Research Center, September 26, 2016. <https://www.pewresearch.org/fact-tank/2016/09/26/u-s-lacks-mandated-paid-parental-leave/>.

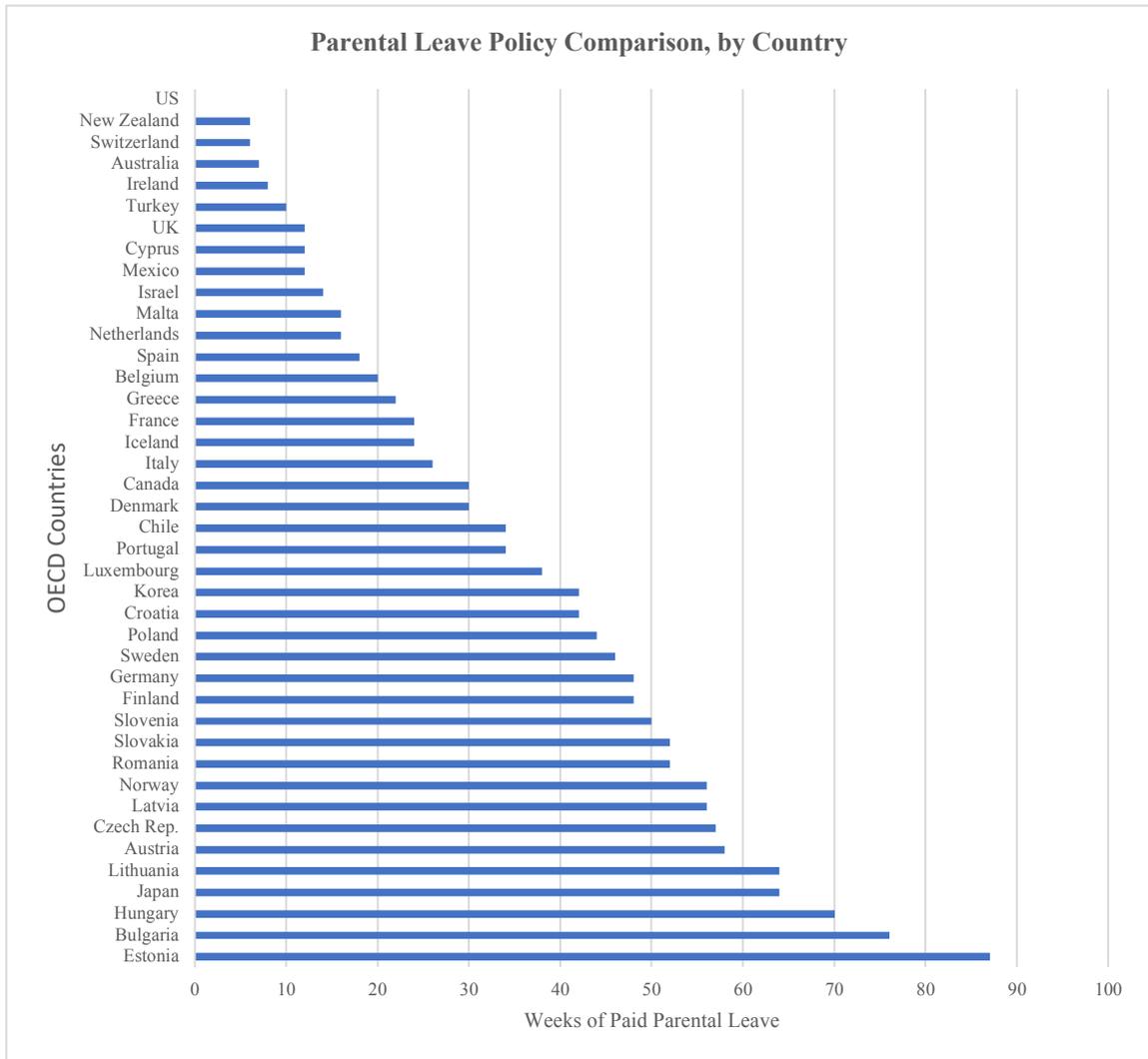


FIGURE 6 SOURCE: PEW RESEARCH CENTER, ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT FAMILY DATABASE- BASED ON “FULL-TIME RATE EQUIVALENT”, [HTTPS://WWW.PEWRESEARCH.ORG/FT_16-09-19 PARENAL LEAVE/](https://www.pewresearch.org/ft_16-09-19_parenal_leave/)

In conclusion, the presiding Family and Medical Leave Act (FMLA) from 1993 is insufficient as it only covers unpaid, job-protected leave.³⁸ While passing this law was encouraging for working parents, it failed to recognize that a large majority of workers don’t qualify for FMLA or can’t afford to take 12 weeks of unpaid leave. According to the Labor Department, the patchwork of private sector paid parental leave only benefits 17% of workers, and even lower amongst low-wage earners as only 5% get paid

³⁸ “Family and Medical Leave Act.” Family and Medical Leave Act - Wage and Hour Division (WHD) - U.S. Department of Labor. Accessed September 24, 2019. <https://www.dol.gov/whd/fmla/>.

maternity leave.³⁹ Paid parental leave is one issue upon which most US citizens appear to agree. According to a 2018 survey conducted by the Cato Institution, 74% of Americans support a federal paid leave policy when there's no mention of costs.⁴⁰ Additionally, recent polls suggest that both Democrat (88 percent) and Republican (71 percent) voters are in favor of “requiring employers to offer paid leave to parents of new children and employees caring for sick family members.”⁴¹ In summary, throughout this section it is apparent that the absence of a national paid parental leave policy harms workers, promulgates discrimination and adversely impacts the US economy.

Policy Proposal

The main objective of this proposed policy is to provide paid family and medical leave to every individual worker throughout the US regardless of the industry in which they work, the size of the company, and their employment status (full-time or part-time). The goal of this National Paid Family and Medical Leave policy is to introduce legislation that provides a comprehensive paid family and medical leave plan that addresses and meets the needs of the working family in a cost effective way. This policy recommends entitlements to workers up to 16 weeks of paid family leave to bond with a new baby, newly adopted child, or foster child; provides 16 weeks to care for an employee's own serious health condition; provides up to 12 weeks of paid medical leave to care for a family member with a serious health condition. Paid annual leave is capped

³⁹ “Access to Paid and Unpaid Family Leave in 2018.” U.S. Bureau of Labor Statistics, February 27, 2019. <https://www.bls.gov/opub/ted/2019/access-to-paid-and-unpaid-family-leave-in-2018.htm>.

⁴⁰ Elkins, Emily. “Poll: 74% of Americans Support Federal Paid Leave Program When Costs Not Mentioned - 60% Oppose If They Got Smaller Pay Raises in the Future.” Cato Institute. Cato.org, December 11, 2018. <https://www.cato.org/survey-reports/cato-institute-2018-paid-leave-survey>.

⁴¹ “Americans’ Views on Income Inequality and Workers’ Rights,” New York Times, June 3, 2015, https://www.nytimes.com/interactive/2015/06/03/business/income-inequality-workers-rights-internationaltrade-poll.html?_r=1.

at 16 weeks total per year. This policy is designed to be used with the current Family Medical Leave Act and is gender-neutral. This national policy aims to ensure gender neutrality and inclusiveness, so that all caregivers receive the necessary family and medical leave required to support their individual needs. This proposed policy will provide paid leave to care for a serious health condition of oneself or family member, a new baby or newly adopted or fostered baby, and support military family members that require support throughout a deployment. The paid leave in this proposed policy will also provide enough of a worker's wage to afford taking family and medical leave, and will be done in coordination with employers and state government programs. Wage replacement is 80% of weekly wages up to \$850 per week. By safeguarding parent's employment and income security during the need for family or medical leave, it ensures workers access to equality of opportunity, promotes gender equality and empowers women. Lastly, it ensures job protection to all workers who utilize paid family and medical leave and prohibits retaliation from employers. Similar to the Massachusetts Paid Family and Medical Leave Act, this proposal recommends that "retaliation for any adverse employment action taken within six months of an employee's leave, return to work, or participation in a proceeding or legal action relating to the law. This presumption can be rebutted only by clear and convincing evidence that the adverse action was not retaliation."⁴² By addressing these factors, this proposed National Paid Family and Medical Leave policy achieves its intended goal of providing a comprehensive paid family and medical leave to every worker in the US.

⁴² "MA Paid Family Leave and Medical Leave Law Fact Sheet." <http://www.hrwlawyers.com/>. Hirsh, Roberts, Weinstein LLP, Attorneys at Law. Accessed December 2, 2019. http://www.hrwlawyers.com/assets/MA-Paid-Family-Leave-and-Medical-Leave_Fact-Sheet.pdf.

Policy Authorization Tool:

The National Paid Family and Medical Leave policy is designed to amalgamate the successful policies, procedures and programs developed and enacted at the state level (primarily from the Commonwealth of Massachusetts) and proposes to run concurrently with the Family and Medical Leave Act of 1993.⁴³ The National Paid Family and Medical Leave policy proposes to introduce new legislation in conjunction with FMLA to provide up to 16 weeks of paid family leave to bond with a new baby, newly adopted child, or foster child. It provides up to 12 weeks of paid medical leave to care for a family member with a serious health condition and 16 weeks to care for an employee's own serious health condition. Paid annual leave is capped at 16 weeks total. Any additional paid time off and payment can be provided by an employer. Additionally, employees that qualify for FMLA can take 12-weeks of unpaid, job-protected leave for qualifying reasons. Family members covered in this policy include a spouse, domestic partner, child, and parent. Domestic partner is defined by the Office of Personnel Management (OPM) in regulation 5 C.F.R and 875.213.⁴⁴ Paid family and medical leave is provided to all full-time, part-time, permanent, seasonal, and self-employed employees who perform work within the US and have earned a minimum of \$5,000 during the employee's prior year of employment and elected coverage through their employer. Former employees are entitled to these benefits if they ended their employment within 26 weeks of the start of their paid family or medical leave and meet the minimum financial requirement. Self-employed

⁴³ Commonwealth of Massachusetts, General Law, Part 1, Title XXII, Chapter 175M: Family and Medical Leave (2019). <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter175M>

⁴⁴ "Frequently Asked Questions Benefits for LGBT Federal Employees and Annuitants." U.S. Office of Personnel Management. Accessed December 3, 2019. <https://www.opm.gov/faqs/QA.aspx?fid=3f64bd3d-1107-44e7-9962-c8b652848f14&pid=9481b29e-6294-46d3-8023-1e6769f8ebd1>.

individuals have the option to opt-out of this benefit if they would not want the benefit themselves and have no employees in order to limit costs for single-person businesses. Additionally, companies can complete an application of exemption if they have an approved family and medical leave plan that would provide at least these same benefits to their employees. (Reference Figure 7) In summary, this policy aims to provide comprehensive benefits to the majority of all US workers.

NATIONAL PAID FAMILY AND MEDICAL LEAVE POLICY SUMMARY	
ADMINISTRATION	Establishes Office of Paid Family and Medical Leave within Department of Labor and within the State Government
TYPE OF LEAVE	Parental, family, and medical
ELIGIBLE BENEFICIARIES	W-2 Workers who in the US, whether they are fulltime, part-time, or seasonal; self-employed individuals, qualifying 1099-MISC workers in the US. Only self-employed workers can opt-out.
ELIGIBILITY	Earned at least \$5k in previous 12-month period. Former employees are entitled to these benefits if they stopped working 26 weeks prior to start of benefits. Parental leave can be used by either or both parents for a new baby, adoption, or foster care.
LEAVE DURATION	Up to 4 months per 12-month period for parental leave. 12 weeks total for paid medical leave to care for a family member and 16 weeks to care oneself. Total of 16 weeks paid per 12-month period. Can be used in conjunction with FMLA unpaid leave.
BENEFIT	80% of weekly wages up to \$850 per week
FUNDING MECHANISM	Additional Payroll Tax of .75% of eligible wages. The maximum deducted from pay check is \$.38 per \$100
JOB PROTECTION/ DISCRIMINATION PROHIBITION	Yes

FIGURE 7 SOURCE: MASSACHUSETTS PAID FAMILY AND MEDICAL LEAVE LAW M.G.L.C 175M- EFFECTIVE JANUARY 1, 2021, [HTTPS://MALEGISLATURE.GOV/LAWS/GENERALLAWS/PARTI/TITLEXXII/CHAPTER175M](https://malegislature.gov/Laws/GeneralLaws/PartI/TitleXXII/Chapter175M)

In addition, this policy establishes federally mandated paid family and medical leave to be take in conjunction and concurrently with any other applicable state, local, or private sector leave policies or legislation. This policy sets the minimum standard for all employers in every sector of the US economy to provide paid family and medical leave.

The Department of Labor, Wage and Hour Division will implement and enforce workforce protections directed in this policy and state government will collect and distribute payroll contributions in conjunction with state governments. DOL, Wage and Hour division will ensure that employers provide temporary income replacement to eligible works that are entitled to the benefits detailed in this policy. Additionally, an employer is required to return an employee to their same or equivalent position with the same pay, benefits and employment status. However, if an employer has made lay-offs of equivalent employees with equal status in the same or equivalent position due to economic conditions or changes in operations, then the employer is not required to retain an employee that has utilized paid parental or medical leave. Lastly, an employer is prohibited from interfering or retaliating against an employer for exercising any of the rights and benefits under the National Paid Parental and Medical Leave legislative action. DOL, Wage and Hour division will be responsible for providing the written guidance and programmatic tools necessary to enforce this component.

Policy Implementation Tool:

Paid family and medical leave in this policy are funded by both the employer and employee through a payroll tax. Employers and employees will pay .75% payroll tax into a newly established family and employment security trust fund. Employers will contribute a rate of .75% of all wages or other qualifying earnings and employees will contribute a .75% on their wage or qualifying earnings. Employers shall determine its annual total workforce employee count by calculating the number of total employees (full time, part-time, and seasonal) and divide that total by the number of pay periods. While on leave, employees will receive 80% of their average weekly wages, with a weekly cap

of \$850 per week. In order for employees to utilize the benefits proposed in this policy, the timeline for implementation of this policy is as follows:

- October 1, 2020: Propose/ Enact Legislation
- October 1, 2021: All employers should make preparations for the National Paid Family and Medical Leave Act/ State governments should establish family and employment security trusts; develop state payroll tax adjustment estimates
- October 1, 2022: Employers and employees will begin to make payroll deductions to fund the nation-wide National Family and Medical Leave policy.
- October 1, 2024: Eligible Workers may take paid leave for the purposes covered in the National Paid and Medical Leave policy

Policy Analysis

In weighing the advantages and disadvantages of the policy outlined above, it is paramount to provide an assessment of the policy's components and outcomes in an impartial, systematic way. The most important objective is to determine whether the cost and consequences of this policy out-weigh the cost related to a lack of standardized paid parental and medical leave in the US. Costs associated with paid family and medical leave for the purposes of this analysis are defined in terms of tax burdens on employers and employees; potential impacts on federal or state budget; and disruptions to the workplace that also burden employers.⁴⁵ Equally important, is to ascertain throughout the policy assessment process whether this policy will be effective at accomplishing its intended goals as compared to other options than a federal mandate. It is important to use both quantitative and qualitative analysis methods to limit biases and provide an independent evaluation. The central questions that this analysis attempts to investigate are: does the employer and employee payroll tax cost and labor-market consequences offset the incurred costs for employers and employees impacted by the lack of unpaid

⁴⁵ Holzer, Harry J. "Paid Family Leave: Balancing Benefits and Costs." Brookings. Brookings, February 21, 2017. <https://www.brookings.edu/blog/social-mobility-memos/2017/01/30/paid-family-leave-balancing-benefits-and-costs/>.

parental and medical leave policy? Ultimately, the aim of this analysis is to determine whether the solutions proposed in this policy to unpaid parental and medical leave will be both financially beneficial and effective if implemented.

Legislation intended to help workers can tend to have unintended consequences on the labor market. In isolation, this policy aims to nominally increase payroll taxes in order to cover the benefits provided under new family and medical leave legislation. This legislation is intended to compliment FMLA not supersede it. In order to cover the benefits awarded to employees under this policy, nearly all employers and employees would be assessed an additional payroll tax of .75% of eligible wages with the maximum deduction from a pay check at \$.38 per \$100. However, there is nothing in this policy that prevents employers from passing the financial burden of this new payroll tax onto the employee through wage reductions. In so doing, employees could be “doubly taxed” through both an increase in their payroll taxes and a decrease in their wages. According to a National Bureau of Economic research paper titled, *The Minimum Wage and the Great Recession: Evidence of Effects on the Employment and Income Trajectories of Low-Skilled Workers*, “when employers are required to pay more, they choose workers with more skills and combine them with technology, such as digital ordering. As a result, low-skill workers lose their jobs.”⁴⁶ While some might argue that this is an acceptable consequence in order to support workers during parental and medical leave, lower wages and increased taxes adversely impacts minimum-wage and low-skilled workers whom are the very population that this policy aims at supporting.

⁴⁶ Clemens, Jeffrey, and Michael Wither. “The Minimum Wage and the Great Recession: Evidence of Effects on the Employment and Income Trajectories of Low-Skilled Workers.” National Bureau of Economic Research, December 4, 2014. <https://www.nber.org/papers/w20724>.

Data and results from existing state paid and family medical leave programs can provide insight into the consequences of a national policy. In the three states (Rhode Island, New Jersey, and California) that have implemented provisions above the federal FMLA, there have been fairly consistent themes amongst the resulting data.⁴⁷ First, the majority of leave claims were filed by women to care for newborn babies.⁴⁸ Secondly, that lower-income workers filed paid leave claims at a lower rate than higher-income workers and employees that work in larger companies are more likely to file claims than from smaller companies.⁴⁹ Data demonstrates that this has mostly to do with low-income workers not being able to afford the wage-replacement rate. Lastly, there remains an awareness issue amongst employees about paid leave benefits, especially at smaller companies.⁵⁰ Thus, it is possible to forecast that a national policy implemented with similar benefits could have parallel hurdles to overcome. If women are the primary beneficiaries of this policy as seen at the state level, then there is some truth to the claim that it passes a bill to employees that may not want or need this benefit. It becomes a transfer of wealth from non-leave-using employees to leave-using employees. Also, this policy would only provide a wage-replacement rate of 80% up to \$850 total per week, and therefore might adversely impact lower-income workers. There is a potential that this

⁴⁷ Silver, Barbara E., Helen Mederer, and Emilija Djurdjevic. "Launching the Rhode Island Temporary Caregiver Insurance Program (TCI): Employee Experiences One Year Later." Departmentoflabor.gov. University of Rhode Island, April 2016. https://www.dol.gov/wb/media/RI_paid_leave_report.pdf.

⁴⁸ Lerner, Sharon, and Eileen Appelbaum. "Business as Usual: New Jersey Employers' Experiences with Family Leave Insurance." Center for Economics and Policy Research. CEPR, June 2014. <http://cepr.net/documents/nj-fli-2014-06.pdf>.

⁴⁹ Appelbaum, Eileen, and Ruth Milkman. "Leave That Pays: Employer and Worker Experiences with Paid Family Leave in California." Center for Economic and Policy Research. CEPR, 2011. <http://cepr.net/documents/publications/paid-family-leave-1-2011.pdf>.

⁵⁰ Silver, Barbara E., Helen Mederer, and Emilija Djurdjevic. "Launching the Rhode Island Temporary Caregiver Insurance Program (TCI): Employee Experiences One Year Later." Departmentoflabor.gov. University of Rhode Island, April 2016. https://www.dol.gov/wb/media/RI_paid_leave_report.pdf.

policy won't move the needle on providing paid leave to lower-income workers if wage-replacement compensation doesn't offset the benefits of employees exercising their right for paid leave. Additionally, the federal government could struggle to inform all employees at all companies their gender-neutral right to paid family and medical leave under this policy. Clearly, states' provisions for paid leave demonstrated unintended consequences and costs that could be mirrored at the national level.

Some economists theorize that one major disadvantage to a national paid family and medical leave policy is that it could inadvertently hurt female employees.⁵¹ In a market economy, there is a potential for employers to freely adjust wages and alter employment practices to limit costs associated with increased benefits. In fact, the American Economic Association published a study stating that economic interventions similar to the one proposed in this policy consistently reduced women's wages in order to absorb the cost of mandated benefits in the states that implemented them.⁵² Another study conducted in Great Britain reflects similar findings in that fewer women held management positions and promotion-track jobs after mandated paid leave was implemented.⁵³ Both studies highlighted that female workers who were of childbearing-age were more significantly impacted as compared to the female working population. These studies and others claim that a national paid family and medical leave policy such as this one could be overly-burdensome to female workers in the US. Failure to consider

⁵¹ Calder, Vanessa Brown. "Paid Leave Means Women Pay." Cato.org. Cato Institute, April 14, 2017. <https://www.cato.org/blog/paid-leave-means-women-pay>.

⁵² Gruber, Jonathan. "The Incidence of Mandated Maternity Benefits." *The American Economic Review* 84, no. 3 (June 1994): 622–41. <http://www.jstor.org/stable/2118071>.

⁵³ Stearns, Jenna. "*The Long-Run Effects of Wage Replacement and Job Protection: Evidence from Two Maternity Leave Reforms in Great Britain.*" University of California, Davis- Economics Department, January 14, 2017. Accessed November 6, 2013. <https://economics.ucdavis.edu/events/papers/28Stearns.pdf>.

these ramifications might create a range of serious problems for lower employment or less-educated younger women.

The high demand for paid family and medical leave among the labor force has shifted many business and corporations to offer it as part of their benefits package. Over 40 percent of companies in the US offer paid parental leave, and many of which offer full-wage replacement rates.⁵⁴ By offering paid family and medical leave, these business have already adapted to the burdened cost of performing the work during the employee's absence, which may require a temporary hire, outsourcing or having other employees' pick-up additional duties. These companies have absorbed the cost of paid family and medical leave into their business revenue and operations. Additionally, many employers believe that providing paid parental and medical leave gives them an advantage in recruiting and retaining employees. A national mandate to cover paid family and medical leave essentially could lower the entrepreneurial and capitalistic spirit that has led these companies to adapt to the demands of their workforce. Thus, for employers and employees that already receive employer-offered paid family and medical leave, this proposed policy appears to be potentially less beneficial to both parties.

Moreover, for those business that don't currently offer paid family and medical leave- roughly 60 percent, it appears that their costs could increase astronomically. According to one study conducted by the National Federation of Independent Business, "On average, paid FMLA will cost \$30K-\$50K per firm in reduced sales, mandatory

⁵⁴ Stych, Anne. "40 Percent of Employers Now Offer Paid Parental Leave." bizjournals.com. Bizwomen, The Business Journals, February 4, 2019. <https://www.bizjournals.com/bizwomen/news/latest-news/2019/02/40-percent-of-employers-nowoffer-paid-parental.html?page=all>.

overtime payments, and diversion of management attention.”⁵⁵ Moreover, the study determines through extensive analytics that “60,000 jobs would be lost in small firms with fewer than 20 employees during the first three years.”⁵⁶ Employers without out pre-existing paid leave benefits will likely experience greater disruptions in work streams when their employees take paid leave than companies that already offered these benefits. Additionally, the impacts for employees utilizing paid leave may be greater at smaller business or organizations. In summary, private and public sector organizations that required to ramp-up their personnel strategies to adapt to these mandates proposed in this policy may have increased costs for hiring temporary employees, compensating for a decrease in productivity, and/or paying for an increase in payroll taxes.

Another consideration in this policy analysis is whether the .75% payroll tax assessed to both the employer and employee will indeed generate enough funding to cover the paid family and medical leave benefits awarded in this policy. This policy expanded the newly passed state legislation in Massachusetts, and applied the financial estimates using their methodology. However, there is an assumption built into this policy that all states mirror the employee leave habits of one particular state, and does not take into consideration the potential behavioral differences across states. Additionally, this policy assumes that leave-taking behaviors will continue at the same rate under FMLA. There is risk with this methodology because it does not account for the probability that more employees will file claims under this policy for paid leave benefits than under the

⁵⁵ Phillips, Bruce D. “NFIB.com.” NFIB.com. National Foundation of Independent Business, 2007. https://www.nfib.com/Portals/0/Costs_of_Expanding_FMLA_RIM.pdf.

⁵⁶ Phillips, Bruce D. “NFIB.com.” NFIB.com. National Foundation of Independent Business, 2007. https://www.nfib.com/Portals/0/Costs_of_Expanding_FMLA_RIM.pdf.

FMLA unpaid options. Comparatively, the American Action Forum estimated the prospective costs of the FAMILY Act using leave utilization data from the FMLA and state paid family and medical leave programs predicted “45.5 million workers would claim paid leave benefits, at a cost of \$203.2 billion to \$226.8 billion. Those high usage estimates would mean that the plan’s proposed 0.4 percent payroll tax would only cover 15 percent of benefit payments, and would need to increase to “as high as 2.9 percent” to cover all the benefits.”⁵⁷ Assuming the same usage rates under this policy, there is a potential that the proposed payroll tax would not generate enough funding and cause fiscal shortfalls at both the federal and state levels, especially if take-up rates increase above projected FMLA usage levels.

Yet, despite these abovementioned potential drawbacks to employers and employees the important question remains whether this policy is still beneficial despite these identified costs and consequences? There is significant data that points to the trade-off costs of not having nationally mandated paid parental and medical leave. One of the most noteworthy rebuttals is that there does appear to be the projected loss of productivity or negative effects as a results of states implementing policies to provide paid family and medical leave. According to the research conducted on the paid family and medical leave legislation in California, New York, Rhode Island, and New Jersey both workers and businesses report positive effects. In a survey six years after California’s law was implemented, “89 to 99 percent of employers reported that paid family and medical leave had either a “positive effect” or “no noticeable effect” on

⁵⁷ Douglas, Genevieve. “Your Plan Costs More Than Mine: The Price Tag for Paid Leave.” Bloomberg BNA News, April 19, 2019. <https://news.bloomberglaw.com/daily-labor-report/your-plan-costs-more-than-mine-the-price-tag-for-paid-leave>.

productivity, profitability/performance, turnover, and employee morale.”⁵⁸ In New Jersey, 260 businesses were surveyed with the majority of employers responding that they hadn’t had any employees who had taken advantage of the leave, and of those that did, 69 percent reported that it had no impact, positive or negative, on their businesses.⁵⁹ Many opponents of paid family and medical leave in these states have quieted down since the programs implementation because of its success. Furthermore, since the implementation of paid leave throughout various states, there have been no research reports that substantiate the perception that the payroll tax will not cover claims filed for benefits should there be a national policy implemented.⁶⁰ Thus, despite fears of workplace unproductivity, work stream disruptions, and fiscal shortfalls should there be a federally mandated paid family and medical leave policy, there does not appear to be the evidence to support these claims at the state level.

The solution to unpaid family and medical leave is a national policy not individual state legislation. The challenge is balancing the benefits of a federal program with the costs associated with it. As Congress struggles to devise a bipartisan paid family and medical leave bill, state governments have taken action into their own hands. Currently, four states and Washington, D.C. mandate paid leave, and as of 2018 another 21 states were considering paid family leave laws.⁶¹ . Yet, how these state programs are

⁵⁸ Appelbaum, Eileen, and Ruth Milkman. “Leave That Pays: Employer and Worker Experiences with Paid Family Leave in California.” Center for Economic and Policy Research. CEPR, 2011. <http://cepr.net/documents/publications/paid-family-leave-1-2011.pdf>.

⁵⁹ Devlin, Dory. “The Cost of Having Mandatory Paid Parental Leave.” Fortune. Fortune, February 5, 2015. <https://fortune.com/2015/02/05/paid-parental-leave-costs/>.

⁶⁰ Maloney, Carolyn B and Democratic Staff of the Joint Economic Committee. “The Economic Benefits of Paid Leave: Fact Sheet” (2012). https://www.jec.senate.gov/public/_cache/files/646d2340-dcd4-4614-ada9-be5b1c3f445c/jec-fact-sheet---economic-benefits-of-paid-leave.pdf

⁶¹ Miller, Stephen. “States Impose Paid Family Leave as Congress Weighs National Policy.” SHRM, August 16, 2019. <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/states-impose-paid-family-leave-as-congress-weighs-national-policy.aspx>.

funded, determine the wage-replacement rate, and the length and type of leave varies greatly from state-to-state. There seems to be agreement on the need for uniformity that a national policy would create. Both states and employers support a national policy because of compliance issues related by differing leave laws at the state and municipal level.⁶²

Due to the potential lack of uniformity amongst the states, there is also the possibility for multistate corporations and enterprises to chase the least expensive program and migrate their businesses as a result. If each states continue to pass legislation on this issue, then there is a possible outcome of a “race to the bottom” marketplace. Furthermore, it exacerbates the inequity of workers, and could lead to a labor force shift as workers seek out employment in those states with the most advantageous leave programs. As more workers migrate to advantageous states, this could skew the original state government estimates for cost versus benefit claims. All in all, it is clear that there are some serious shortcomings of state-only legislation on the issue of paid family and medical leave. In conclusion, based on the political analysis there are both shortcomings and advantages with this policy. (Reference Figure 9)

POLITICAL ANALYSIS RESULTS	
ADVANTAGES	DISADVANTAGES
<ul style="list-style-type: none"> • Workplace productivity remains constant during pre-and post-policy leave mandates 	<ul style="list-style-type: none"> • Double-tax employees if employers pass payroll tax costs onto employees through wage reductions
<ul style="list-style-type: none"> • Increased employee retention rates and employee morale 	<ul style="list-style-type: none"> • Lower-skilled, lower-income workers at higher risk of losing jobs if employers pass payroll tax increases onto employers through labor force reductions
<ul style="list-style-type: none"> • Policy is “on-par” with other OECD country’s policies 	<ul style="list-style-type: none"> • Women of childbearing age at highest risk of discrimination and career regression
<ul style="list-style-type: none"> • Mirrors private sector trend and successes with paid family and medical leave 	<ul style="list-style-type: none"> • Cost transference from non-leave-claiming employees to leave-claiming employees; no

⁶² Burden, Lisa. “The Trends That Could Shape Family Leave in 2019.” Workest, September 10, 2019. <https://www.zenefits.com/workest/the-trends-that-could-shape-family-leave-in-2019/>.

	reimbursements to non-leave claiming employees
<ul style="list-style-type: none"> Promotes gender equality 	<ul style="list-style-type: none"> Lower-income workers are less likely to file claims due to lack of awareness and education on policy
<ul style="list-style-type: none"> Fiscally responsible by addressing benefit costs through a payroll tax 	<ul style="list-style-type: none"> Policy favors companies, businesses and organizations that have existing paid leave benefits over those that don't; Larger businesses postured better than smaller ones
<ul style="list-style-type: none"> Limits "race to the bottom" amongst employers and employees 	<ul style="list-style-type: none"> Fiscal shortfall if claim rate is higher than FMLA levels and cost overrun if payroll taxes don't cover costs

FIGURE 8

SOURCE: NATIONAL PAID FAMILY AND MEDICAL LEAVE POLICY ANALYSIS SUMMARY

Political Analysis

The importance of paid family and medical leave to the lives of working families has become an increasingly critical focal point for many politicians, business leaders, and citizens recently in order to improve both health and equality of working parents. The United States is the only industrialized, first world country that doesn't have a national policy on family and medical leave. The International Labour Organization, a specialized agency of the United Nations, set the global standard on maternity leave since 1919, and currently recommends that women should be provided with at least 14 weeks of paid leave and two-thirds of her wages surrounding the birth of a child.⁶³ According to a recent report, the majority of countries throughout the world have established legislation to protect working parents during the addition of a child.⁶⁴ The sharp contrast between the momentum and revolution happening around the world versus the stagnation on this issue in the U.S. is what is driving so many stakeholders to prioritize legislative action of

⁶³ "More than 120 Nations Provide Paid Maternity Leave." More than 120 Nations Provide Paid Maternity Leave, February 16, 1998. http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_008009/lang-en/index.htm.

⁶⁴ Addati, Laura, Naomi Cassirer, and Katherine Gilchrist. *Maternity and Paternity at Work Law and Practice across the World*. Geneva: International Labour Office, 2014. http://www.ilo.org/global/publications/ilo-bookstore/order-online/books/WCMS_242615/lang-en/index.htm.

late. Stakeholders include the individual worker, small and large business leaders and owners, corporations, local and state politicians and legislators, congressional members, both Republican and Democratic party leadership, and the President.

Throughout the U.S, there is widespread public support for paid parental leave. According to a 2016 Fortune magazine poll, 74% of registered voters believe that employers should be required to provide parental leave, and “70% of male respondents and 78% of women said they were in favor of a mandate, and 83% of Democrats and 71% of Republicans supported it.”⁶⁵ A more extensive survey conducted in 2018 determined that 80% of the polled population supported a comprehensive national paid family and medical leave policy that covers all people who work, and that party voter support had risen to 94% of Democrats, 83% of Independents, and 74% of Republicans.⁶⁶

The Pew Research Center performed extensive research to determine the details around the public opinion on this issue.⁶⁷ (Reference Figures 9) According to the Pew Center Research results, there are several major “wins” on this issue with regards to public opinion that are in line with other published polls and research. It appears that paid parental and medical leave are supported by the majority of male and female workers, the majority of Republican and Democratic workers, and the majority of workers think that

⁶⁵ Groden, Claire. “An Overwhelming Majority of Americans Support Paid Parental Leave.” Fortune. Fortune, April 15, 2016. <https://fortune.com/2016/04/15/an-overwhelming-majority-of-americans-support-paid-parental-leave/>.

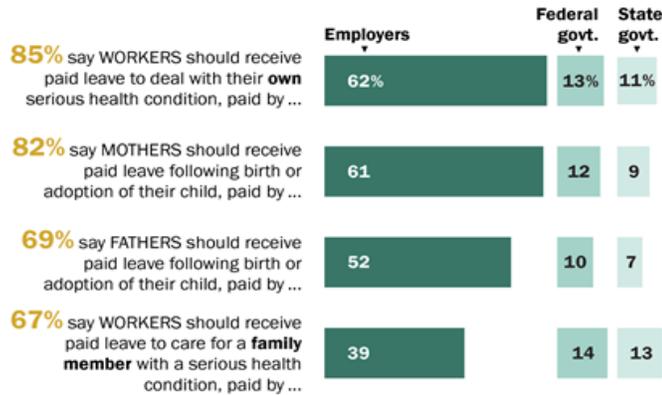
⁶⁶ National Partnership for Women & Families, *Voters’ Views on Paid Family + Medical Leave* (October 2018), conducted by PerryUndem and Bellweather Research Firms, <http://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/voters-views-on-paid-family-medical-leave-survey-findings-august-2018.pdf>.

⁶⁷ Horowitz, Juliana Menasce, Kim Parker, Nikki Graf, and Gretchen Livingston. “Americans Widely Support Paid Family and Medical Leave.” Pew Research Center’s Social & Demographic Trends Project, October 2, 2018. <https://www.pewsocialtrends.org/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/>.

that the federal government should require employers to provide paid parental and medical leave.

Most Americans say workers should receive paid family and medical leave

% saying each group should receive paid leave from ...



Note: Net support for paid leave calculated before rounding. Percent saying workers should be able to take unpaid leave or should not be able to take leave and share of respondents who didn't offer an answer not shown.

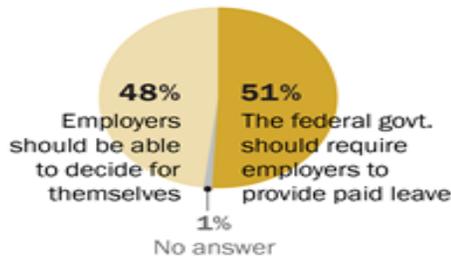
Source: Survey of U.S. adults conducted Nov. 17-Dec. 1, 2016.

"Americans Widely Support Paid Family and Medical Leave, but Differ Over Specific Policies"

PEW RESEARCH CENTER

No consensus on federal government mandate

% saying ...



Source: Survey of U.S. adults conducted Nov. 17-Dec. 1, 2016.

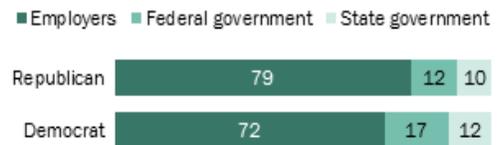
"Americans Widely Support Paid Family and Medical Leave, but Differ Over Specific Policies"

PEW RESEARCH CENTER

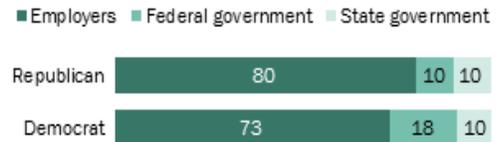
Across party lines, most supporters of paid leave say pay should come from employers

Among those who support paid leave in each situation, % saying pay should come from ...

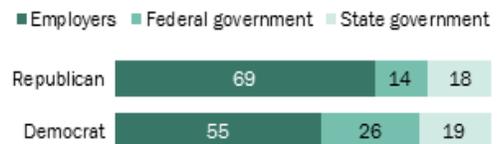
Mothers, following birth or adoption



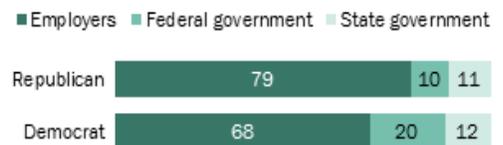
Fathers, following birth or adoption



Workers, to care for a family member with a serious health condition



Workers, to deal with their own serious health condition



Source: Survey of U.S. adults conducted Nov. 17-Dec. 1, 2016. "Americans Widely Support Paid Family and Medical Leave, but Differ Over Specific Policies"

PEW RESEARCH CENTER

FIGURE 9

SOURCE: PEW RESEARCH CENTER POLL ON PUBLIC OPINION: [HTTPS://WWW.PEWSOCIALTRENDS.ORG/2017/03/23/AMERICANS-WIDELY-SUPPORT-PAID-FAMILY-AND-MEDICAL-LEAVE-BUT-DIFFER-OVER-SPECIFIC-POLICIES/](https://www.pewsocialtrends.org/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/)

State policies are attempting to bridge the policy gap to provide family and medical leave to a portion of the gap. However, these intermittent policies are unlikely to make paid leave available to all or even most U.S. workers. Currently, the District of Columbia and eight states, California, New Jersey, Rhode Island, New York, Washington, Massachusetts, Connecticut and Oregon, have paid family-leave programs.⁶⁸ State officials in New Hampshire, Iowa, Nebraska, Colorado, New Mexico, Pennsylvania and Vermont are seriously considering proposing similar state policies.⁶⁹ Illinois, Indiana, Maine, and Oklahoma have introduced legislation providing paid leave for up to six weeks.⁷⁰ Considering the momentum on this issue at the state level, nearly 19 total states (38%) have implemented, are planning to implement, or are eager to implement a state policy on paid family and/or medical leave. With nearly half of states willing to implement policies on this issues, it appears that state governments are postured for a national policy that standardizes program components and lessens the burden on state legislators. If each state is required to develop its own program, it could increase administrative costs through program management and potentially create unfunded mandates for states. A federally mandated paid family and medical leave requirement is a major political benefit for state politicians, legislators, and officials. A national state policy would establish a baseline that allows states to operate from in order to appease

⁶⁸ Keshner, Andrew. “The Lack of Paid Family Leave Is 'Breaking Families' Backs' - so What Are Democratic Presidential Candidates Going to about It?” MarketWatch, November 22, 2019. <https://www.marketwatch.com/story/only-5-states-have-paid-family-leave-laws-allowing-parents-to-bond-with-their-newborn-2019-02-06>.

⁶⁹ “States Consider a Wide Array of Paid Family Leave Legislation.” ASTHO. Association of State and Territorial Health Officials, March 21, 2019. <https://www.astho.org/StatePublicHealth/States-Consider-Wide-Array-of-Paid-Family-Leave-Legislation/03-21-19/>.

⁷⁰ “States Consider a Wide Array of Paid Family Leave Legislation.” ASTHO. Association of State and Territorial Health Officials, March 21, 2019. <https://www.astho.org/StatePublicHealth/States-Consider-Wide-Array-of-Paid-Family-Leave-Legislation/03-21-19/>.

their local constituents, because a federal program would avoid a race to the bottom in which states offer undesirable paid leave levels out of a concern that more generous levels could lead to an uncompetitive business environment. Under this policy proposal, states are permitted to supplement the federal program with more-generous benefits.

During the 2020 Democratic debate on November 20, 2019, paid parental and medical leave was a hot button item.⁷¹ It was clear that politicians on both the national and state platforms need to have a position on this issue. Since popularity and support for this issue is building amongst voters, there is an ever-increasing momentum on this issue amongst politicians from both side of the aisle for a federal paid-leave initiative. Several politicians have already drafted their proposed policies on this issue and here is there current status:⁷²

- The Working Parents Flexibility Act introduced by Representative John Katko (R-NY) was recently introduced into the House of Representatives in March of 2019, which establishes tax-exempt parental-leave savings accounts for child care that can be funded by employees and employers. This measure has some bipartisan support.
- The New Parents Act, proposed by Senators Rubio (R-FL) and Romney (R-UT) and Representatives Wagner (R-MO) and Crenshaw (R-TX), which allows new parents to draw from Social Security for paid leave that lasts one, two or three months in exchange for delaying or reducing future Social Security benefits. Parents also could choose to keep working full-time or part-time and use the extra funds to pay for childcare expenses, but it does not have Democratic co-sponsor. As a result of the lack of bipartisan support, it is unlikely to pass the House of Representatives chamber.
- The Child Rearing and Development Leave Empowerment (CRADLE) Act is a republican proposed policy introduced by Senators Joni Ernst (R-IA) and Mike Lee (R-UT) that would let parents receive up to three months of paid leave by giving them the option to postpone Social Security benefits, but would require parents to take leave from work in order to receive the benefit. However, it does

⁷¹Campbell, Alexia Fernández. “It Took a Debate with All-Female Moderators to Ask Democrats about Paid Family Leave.” Vox. November 21, 2019. <https://www.vox.com/identities/2019/11/21/20975363/democratic-debate-paid-family-leave-child-care>.

⁷² Miller, Stephen. “States Impose Paid Family Leave as Congress Weighs National Policy.” SHRM. Society of Human Resource Management, August 16, 2019. <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/states-impose-paid-family-leave-as-congress-weighs-national-policy.aspx>.

not have Democratic co-sponsor and is unlikely to pass the House of Representatives chamber.

- The Family and Medical Insurance Leave (FAMILY) Act, proposed by Senator Kirsten Gillibrand (D-NY), provides partial wage replacement for all FMLA qualifying events funded by a payroll tax on employers and employees. With 179 Democratic co-sponsors to date and no Republican support, the measure is expected to pass the House but then to have little chance in the Republican Senate. If Democrats take both the House and Senate as well as the presidency in 2020, there is greater potential for this measure passing.
- Presidential advisor Ivanka Trump has made paid family leave a top priority and the administration's fiscal year 2020 budget included a proposal to establish a federal state-parental-leave benefit program that would provide six weeks of benefits for mothers, fathers and adoptive parents, funded within the unemployment insurance program. Legislation has not yet been introduced, and the measure isn't expected to attract Democratic support.

Within the private sector, the trend of viewing paid family and medical leave a beneficial to both employers and employees continues.⁷³ In fact, companies have found that paid parental leave specifically helps to increase gender equality by supporting working parents and their families. Additionally, companies report that costs have been lower than expected due to less turnover and higher retention rates. The U.S. Census Bureau published a report that found female workers who received paid leave were more likely to return to work within five months than those who didn't receive or use the benefit.⁷⁴ There have been many senior executives at major companies that have testified to the benefits of offering paid parental and medical leave to employees. (Reference Figure 10) Moreover, a uniform national policy on paid family leave could resolve many of the challenges now faced by multijurisdictional employers. Federal intervention on this issue standardizes the elements of how the policy is carried out. The private market cannot provide sufficient paid leave across the labor market in an equitable and fair way.

⁷³ Burden, Lisa. "The Trends That Could Shape Family Leave in 2019." *Workest*, September 10, 2019. <https://www.zenefits.com/workest/the-trends-that-could-shape-family-leave-in-2019/>.

⁷⁴ Laughlin, Lynda. "Maternity Leave and Employment Patterns of First-Time Mothers: 1961–2008." *Census.gov. Household Economic Study*, 2011. <https://www.census.gov/prod/2011pubs/p70-128.pdf>.

Government supported leave would improve labor market outcomes and reduce gender and labor-market inequality. This in-turn would directly support corporations and businesses, which are either already providing or eager to provide this benefit to their employees.

PRIVATE SECTOR LEADERSHIP TESTIMONIALS	
NAME/ COMPANY/ POSITION	TESTIMONIALS
Laszlo Block Google Senior VP	“The attrition rate for women after childbirth was twice our average attrition rate . . . After making the change in leave, the difference in attrition rates vanished. And moms told us that they were often using the extra two months to transition slowly back to work, making them more effective and happier when the leave ended. When we eventually did the math, it turned out this program cost nothing. The cost of having a mom out of the office for an extra couple of months was more than offset by the value of retaining her expertise and avoiding the cost of finding and training a new hire.”
David Hassel 15Five (18-person company) CEO/ Founder	“There are obviously costs, but ones we can manage. We certainly need to ensure that their role is covered during their time away, either by another employee or a new hire or consultant, so there’s essentially a double cost during that time for that role, as well as the cost of getting someone else ramped up/trained up, etc. That said, we also see substantial returns relative to other companies—these and other policies we have clearly communicate to our people that we really care about them, and as a result we have shockingly low turnover—so aren’t incurring the ongoing costs of having to find and replace many of our roles,”
Cecilia Xia Change.org Spokesperson	“Cost has been even lower than we expected, and results have been really positive. What we’ve seen is that when someone leaves for parental leave, it gives other members of the team the chance to step up and prove themselves at a higher level. Often, this has resulted in official promotions, benefiting the individual and the company as a whole.”
Susan Wojcicki YouTube CEO	“When we increased paid maternity leave to 18 from 12 weeks in 2007, the rate at which new moms left Google fell by 50%. (We also increased paternity leave to 12 weeks from seven, as we know that also has a positive effect on families and our business.) Mothers were able to take the time they needed to bond with their babies and return to their jobs feeling confident and ready. And it’s much better for Google’s bottom line—to avoid costly turnover, and to retain the valued expertise, skills and perspective of our employees who are mothers. Best of all, mothers come back to the workforce with new insights. I know from experience that being a mother gave me a broader sense of purpose, more compassion and a better ability to prioritize and get things done efficiently. It also helped me understand the specific needs and concerns of mothers, who make most household spending decisions and control more than \$2 trillion of purchasing power in the U.S.”

FIGURE 10

SOURCE: PRIVATE SECTOR LEADERSHIP TESTIMONIALS, [HTTPS://WWW.FASTCOMPANY.COM/3055977/THE-REAL-COST-OF-PAID-PARENTAL-LEAVE-FOR-BUSINESS](https://www.fastcompany.com/3055977/the-real-cost-of-paid-parental-leave-for-business), [HTTPS://TIME.COM/3637962/YOUTUBE-CEO-AMERICA-NEEDS-PAID-MATERNITY-LEAVE/](https://time.com/3637962/youtube-ceo-america-needs-paid-maternity-leave/)

This policy is unique in that it amalgamates successful state legislation on this issue, and implements what is known to be advantageous in states like California and New York. The other proposed policies haven't been piloted or tested in practice, and as a result have not been able to garner overwhelming bi-partisan support without a proven track record. Moreover, a 2018 Cato Institute, a libertarian think tank, found that 74 percent polled support a new federal government program to provide 12 weeks of paid leave to new parents or to people dealing with their own or a family member's serious medical condition.⁷⁵ Additionally according to this survey, "54 percent are willing to pay \$200 a year in new taxes to fund a 12-week federal paid-leave program, most oppose establishing a federal paid-leave program if it would cost them \$450 a year or more."⁷⁶ This policy proposal meets both of these requirements in both duration and cost effectiveness. This proposal is more generous than most state programs, particularly in duration with 16 weeks of paid parental leave. While 16 weeks paid parental is longer than any state program, it ensures that all employees are guaranteed paid parental leave in alignment with private sector standards. Additionally, this paid family and medical leave policy is financed through a small (.075%) payroll tax increase rather than a directed mandate on employers. This is a chiefly practical approach because it disburses the costs of providing leave to all employers and all employees, greatly reducing the new tax amount to any individual. This national leave policy also replaces wages at a balanced rate, not a full wage-rate. However, it offers higher wage replacement rates that most

⁷⁵ "Poll: 74% of Americans Support Federal Paid Leave Program When Costs Not Mentioned - 60% Oppose If They Got Smaller Pay Raises in the Future." Cato Institute, December 11, 2018. <https://www.cato.org/survey-reports/cato-institute-2018-paid-leave-survey>.

⁷⁶ Miller, Stephen. "States Impose Paid Family Leave as Congress Weighs National Policy." SHRM. Society of Human Resource Management, August 16, 2019. <https://www.shrm.org/resourcesandtools/hr-topics/benefits/pages/states-impose-paid-family-leave-as-congress-weighs-national-policy.aspx>.

states. In doing so, this policy increases the likely participation rate of workers because it doesn't force a trade-off between forgoing salary for time-off. All in all, the program is designed enhance the benefits of a paid family and medical leave program by taking into account the successes evident at the state level and minimizing the cost to employers and employees.

Recommendation

Without a national paid parental leave policy, workers are left to rely on the private market to set the standard on parental leave. As a result, there is a large discrepancy in the types, length, and benefits of parental leave offered to US workers. The imbalance of parental benefits from employers creates an unfair, biased work environment that permeates throughout the public and private sector within the US economy. The National Paid Family and Medical Leave proposed in this document seeks to address the shortcomings and inequalities of current leave options facing new parents and medically ill workers. Existing family leave options are inequitable and insufficient to all working parents. The current parental leave options produce both health and economic issues for working parents. The main issue with the lack of paid leave is that it causes negative effects on both a mother's physical and mental health state and jeopardizes the health of young children. The lack of paid family adversely impacts worker retention, productivity, and employee satisfaction, causing financial losses at both the individual and macro-level throughout the US economy. In conclusion, a national paid parental policy helps to resolve the health and economic issues that result from early parental employment.

Based on the research and data presented in this policy paper, it is highly recommended that you sponsor, endorse, and advocate for the National Family and Medical Leave Policy. This policy would establish a national family and medical leave program that would ensure US workers can take the necessary time off to take of themselves and their family members. There is significant data demonstrating the economic security benefits to working families while limited impact to all sizes of businesses. As stated in this policy paper, 81% of workers do not have paid family leave and over 60% don't have access to paid medical leave.⁷⁷ Additionally, these statistics are disproportionately lower for low-wage and/ or minority workers.⁷⁸ Lastly, even the standing unpaid Family and Medical Leave Act is inaccessible for over 60% of workers in US.⁷⁹ These three data points are the defining reasons as to why your endorsement of this policy is so critical. It is unfathomable that in one of the wealthiest countries in the world, workers are forced to face an impossible choice between their health and their family's well-being or their financial security.

Finally, this is an optimal time to endorse this policy due to the positive political landscape in both the legislative and executive branches, high public opinion for action on this issue, and the increasing number of states adopting their own legislation. There are multiple policies and proposed legislation in circulation right now, and this policy is

⁷⁷ U.S. Bureau of Labor Statistics. (2018, September). National Compensation Survey: Employee Benefits in the United States, March 2018 (Tables 16 and 32). <https://www.bls.gov/ncs/ebs/benefits/2018/employee-benefits-in-the-united-states-march-2018.pdf>

⁷⁸ National Partnership for Women & Families. (2018, September). New Paid Leave Data: Despite Some Success, Vast Majority of Working People Still Left Behind. <http://www.nationalpartnership.org/our-impact/news-room/press-statements/new-paid-leave-data-despite-some-success-castmajority-of-workers-left-behind.html>

⁷⁹ Working Adults Who Are Eligible for and Can Afford FMLA Unpaid Leave. Brandeis University, The Heller School, Institute for Child, Youth and Family Policy. <http://www.diversitydatakids.org/data/ranking/529/working-adults-who-are-eligible-for-and-can-afford-fmlaunpaid-leave/#loct=2&cat=44,25&tf=17>

postured to stand-out from the rest as it amalgamates the most successful policy components from the state programs. Across party lines, the public believes that employers should pay for paid parental and medical leave.⁸⁰ This policy aims to suffice this need in that employers share the cost with the employee, but with governance and mandate from the federal government to ensure equity throughout the US in all labor markets. Moreover, states are taking matters into their own hands by enacting legislation that requires employers to adhere to paid parental and medical leave standards at the state level. In summary, this policy proposal presents the best practices and lessons learned from state policies and meets the needs of the US workforce and their families without hindering businesses or labor market.

⁸⁰ Horowitz, Juliana Menasce, Kim Parker, Nikki Graf, and Gretchen Livingston. “Americans Widely Support Paid Family and Medical Leave.” Pew Research Center's Social & Demographic Trends Project, October 2, 2018. <https://www.pewsocialtrends.org/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/>.

Appendix A: State Family Medical Leave Laws⁸¹

State Family Medical Leave Laws			
State	Coverage/Eligibility	Family Medical Leave Provisions	Provides Leave to Care for
California (Paid)	Employees who have worked for an employer for at least 12 months, and who have 1250 hours of service during the 12 months prior to the leave.	The California Paid Family Leave insurance program provides up to 6 weeks of paid leave to care for a seriously ill child, spouse, parent, or registered domestic partner, or to bond with a new child. The benefit amount is approximately 55% of an employee's weekly wage, from a minimum of \$50 to a maximum of \$1067. The program is funded through employee-paid payroll taxes and is administered through the state's disability program.	Child, spouse, parent or registered domestic partner.
Connecticut	All employers with 75 or more employees, except private or parochial elementary or secondary schools. Employees who have 1,000 hours service with an employer during the 12-month period before the leave.	Up to 16 weeks in two years for the birth or adoption of a child, placement of child for foster care, to care for a family member with a serious medical condition, for the serious medical condition of the employee, or to serve as an organ or bone marrow donor.	Child, spouse, parent, civil union partner, parent-in-law or stepparent.
D.C.	Any public or private employer. Employees who have at least 1,000 hours of service with an employer during the 12-month period prior to leave.	Up to 16 weeks of family leave, plus 16 weeks of medical leave for employee's own serious health condition during a two-year period. Leave must be shared by family members working for the same employer.	All relatives by blood, legal custody, or marriage, and anyone with whom an employee lives and has a committed relationship.
Hawaii	Private employers with 100 or more employees. Excludes public employees. Employees who have worked for six consecutive months.	Up to four weeks per year. Permits intermittent leave for birth, adoption placement, and to care for a family member with a serious health condition. Does not apply to employee's own health condition or placement of a foster child. Does not require spouses to share leave.	Child, spouse, parent, in-laws, grandparents, grandparents-in-law, stepparent or reciprocal beneficiary.
Maine	Private employers with 15 or more employees; all state employers, and local governments with 25 or more employees <	Up to 10 weeks in two years for the birth of a child or adoption of a child age 16 or younger. Includes leave to be an organ donor. Does not require spouses to share leave.	Child, spouse, parent, sibling who lives with employee, civil union partner, child of civil union partner, or non-dependent adult child.
Massachusetts	Employers with 50 or more employees.	Up to 24 hours per year leave to participate in children's educational activities or accompany a child, spouse, or elderly relative to routine medical appointments, under the Small Necessities Leave Act.	
Minnesota	All employers with 21 or more employees. An employee who has worked for an employer for at least 12 consecutive months immediately preceding the request, and whose average number of hours per week equal one-half of a full-time equivalent position. All employers with at least one employee for school activities leave only.	Up to six weeks for the birth or adoption of a child. Does not require spouses to share leave. Permits employees to use personal sick leave benefits to care for an ill or injured child on the same terms as for the employee's own use. Up to 10 working days when a person's parent, child, grandparents, siblings, or spouse who is a member of the United States armed forces, has been injured or killed while in active service. Up to 40 hours to undergo a medical procedure to donate bone marrow or to donate an organ or partial organ.	Child, spouse, parent, grandparent or sibling.
New Jersey (Paid)	Employees who have worked 20 calendar weeks or who have earned at least 1,000	Paid leave provides up to two-thirds of wages up to \$524/week for 6 weeks. Provides that any	Child, parent, parent-in-law, grandparent, spouse or domestic partner
New York (Paid)	All private employers. Employees, full-time or part-time, who have worked 26 or more	The maximum leave allowed over every 52 week period is increased over a period of four years.	Child, spouse, parent, parent-in-law, stepparent, grandparent, grandchild, domestic
Oregon	All employers with 25 or more employees. Employees who have worked at least 25 hours per week in the past 180 days.	Up to 12 weeks per year. An additional 12 weeks per year is available to care for the employee's ill or injured child who does not have a serious health condition but who requires home care. Prohibits two family members working for the same employer from taking concurrent family leave except under certain conditions. Allows an employee to substitute any available paid vacation or sick leave. Allows leave to be used to deal with the death of a family member.	Child, spouse, parent, grandparent, grandchild or parent-in-law, or a person with whom the employee has or had an <i>in loco parentis</i> relationship.<
Rhode Island Paid	All private sector employers and public sector employers who opt into the program.	The Rhode Island Temporary Caregiver Insurance Program provides four weeks of paid	Child, parent, parent-in-law, grandparent, spouse, domestic partner
Vermont	All employers with 10 or more employees for leaves associated with a new child or adoption. All employers with 15 or more employees for leaves related to a family member's or employee's own serious medical condition. Employees who have worked for an employer for one year for an average of 30 or more hours per week.	Up to 12 weeks in 12 months for parental or family leave. Allows the employee to substitute available sick, vacation, or other paid leave, not to exceed 6 weeks. Does not require spouses to share leave. Provides an additional 24 hours in 12 months to attend to the routine or emergency medical needs of a child, spouse, parent, or parent-in-law or to participate in children's educational activities. Limits this leave to no more than four hours in any 30-day period.	Child, spouse, parent, parent-in-law.
Washington	All employers. An employee who has been employed for at least 680 hours during his or her qualifying year.	Washington Family Leave Act provides up to a total of two weeks of leave during any 12-month period for the birth of a child; the placement of a child for adoption or foster care, to care for a family member with a serious health condition, or because of a serious health condition that makes the employee unable to perform the functions of the job. Washington Family Care Act allows workers with available paid sick leave or other paid time off to use that leave to care for a sick child with a routine illness; a spouse, registered domestic partner, parent, parent-in-law, or grandparent with a serious or emergency health condition; and an adult child with a disability.	Child, spouse, parent, parent-in-law, grandparent or state registered domestic partner.
Wisconsin	Employers who employ at least 50 individuals on a permanent basis, including any state government entity. An employee who has been employed by the same employer for more than 52 consecutive weeks and who has at least 1,000 hours of service during that time.	Up to six weeks of leave for the birth or adoption of a child; up to two weeks of leave care of a child, spouse, parent, domestic partner or parent of a domestic partner with a serious health condition; and up to two weeks of leave for the employee's own serious health condition. Does not require spouses to share leave. Allows an employee to substitute employer-provided paid or unpaid leave for portions of family or medical leave.	Child, spouse, parent, domestic partner or parent of a domestic partner.

⁸¹ "State Family and Medical Leave Laws." National Conference of State Legislatures. NCSL.org, July 7, 2016.

KATYA CIOVACCO

EDUCATION

John Hopkins University, Krieger School of Arts and Science **December 2019**
M.A., Public Management

Advanced Academic Programs, Department of Governmental Studies

- Capstone: “National Paid Family and Medical Leave” policy proposal and analysis to address the lack of paid family and medical leave policy in the US.
- Capstone Advisor: Professor Paul Weinstein
- Courses: Fundamentals of Quantitative Methods; Public Policy Evaluation & The Policy Process; Financial Management and Analysis; Economic for Public Decision-Making; Fundamentals of Nonprofits and Nonprofit Management; Nonprofit Program Development and Evaluation; Grantsmanship, Grant Writing and Evaluation of Grant Proposals; Financial Management and Analysis in the Public Sector; International NGO and Civil Society in Conflict Zones; Nonprofit Governance and Executive Leadership; Congress; Why the First Branch; Capstone for Public Management

SANTA CLARA UNIVERSITY **June 2002**
Bachelor of Science: Pre-Medical (Natural Science Emphasis)

PROFESSIONAL EXPERIENCE

Program Manager, Amazon Web Services **2019-Present**
Worldwide Public Sector- State and Local Government Vertical

- Lead programs throughout all phases of the project lifecycle, effectively managing scope, schedule and budget and stakeholder communications.
- Develop a deep understanding of SLG business requirements and goals, in order to achieve the right results, in the right quality, and at the right time
- Develop relationships and connections with internal and external customers
- Proven ability to effectively distill vast amounts of information about key business initiatives, sales programs and methodologies, and business processes into clear, concise communications that provide the knowledge our sales organization needs to work efficiently and effectively.
- Writing and managing content for SLG internal programs and external initiatives
- Use project management tools and technology to track progress and provide regular reporting to management and other stakeholders

Senior Financial Consultant, KT Consulting, Arlington **2016-2019**

- Performed senior resourcing management duties to ensure team was highly effective in support of organizational budget and programmatic goals in order to achieve overarching professional development objectives
- Focused on innovation and ingenuity to improve processes by computing financial services through a variety of cloud services to produce faster and accurate analytical results

- Prepared strategic communication and presentations for senior executives and management teams to provide comprehensive financial reporting packages that played critical roles in strategic planning efforts
- Ensured financial management responsibilities to include preparing and briefing financial reporting materials for senior executives and board of directors
- Built econometric forecasting models build through cloud platforms to integrate analytical products to generate timely variance and trending analysis with commentary for executive management review
- Oversaw budgeting, financial forecasting, cash flow and coordination of audit activities as well as accounts payable and receivable

Senior Financial Manager/ Comptroller (GS-14)

Federal Government- Department of Defense, Arlington

2010-2016

- Managed a large, cross-functional team of financial and data analysts to oversee a \$9 billion portfolio and ensured balanced workload distribution, on-time delivery of products, and high performance in order to provide tangible results
- Regularly briefed senior executives to complex financial data in order to gain approval and risk level guidance for budget and execution decisions
- Developed written and verbal communication products to engage with senior executives, Senate and House staff and committees, and customers
- Hand-picked to lead multifaceted projects to identify financial system problems to resolve issues quickly after the transition to new financial system
- Performed countless quality and risk analytical reviews on big data encompassing personnel, financial, and asset management
- Appointed as the first-ever program manager for two large- data management systems in order to successfully lead their full life cycle and yield desired results
- Managed and supervised the integration of IT programs to web-based, interactive online training and conducted in-person training to countless end-users

Financial Strategy Analyst, Booz Allen Hamilton, Arlington, VA

2009-2010

- Coordinated the development of hundreds of performance metrics to develop and establish the Army installation campaign plan
- Wrote the policies, business rules, and implementation instructions for a campaign plan and effectively improved operational efficiencies and effectiveness
- Mined financial data to arrive at specific and crucial information for the organization
- Facilitated and coordinated critical meetings and training events that incorporated input from all military services to include Air Force, Navy, Marines, and Army

United States Army (Combat Veteran)

2002-2006

U.S. Army, Battalion Human Resource Officer, Captain, Ansbach, Germany, 2005-2006

- Rated top officer in Battalion (#1/80) and top 1% of all Army officers
- Led a team of HR professionals and spearheaded all human resource actions for over 750 soldiers

Battery Executive Officer/Lieutenant, Ansbach, Germany, 2004

- Rated top Executive Officer in Battalion (#1/8) and Deputy Commander of 100-soldier PATRIOT missile unit
- Hand-selected to serve as the French Translator/Liaison for Battalion Commander during the 60th Anniversary Ceremonies of D-Day in Normandy, France

Platoon Leader/Lieutenant, Baghdad, Iraq, 2002-2003

- Deployed to Operation Iraqi Freedom in charge of 19 Soldiers and Non-Commissioned Officers
- Hand-chosen to lead the Non-Governmental Organization (NGO) Center at Baghdad International Airport that aided humanitarian and reconstruction efforts