



Family And Medical Insurance Leave Act (FAMILY Act)

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**Center for Economic
Policy Research Briefing**
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**national partnership
for women & families**

About Us



The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to promoting fairness in the workplace, access to quality health care and policies that help women and men meet the dual demands of work and family.

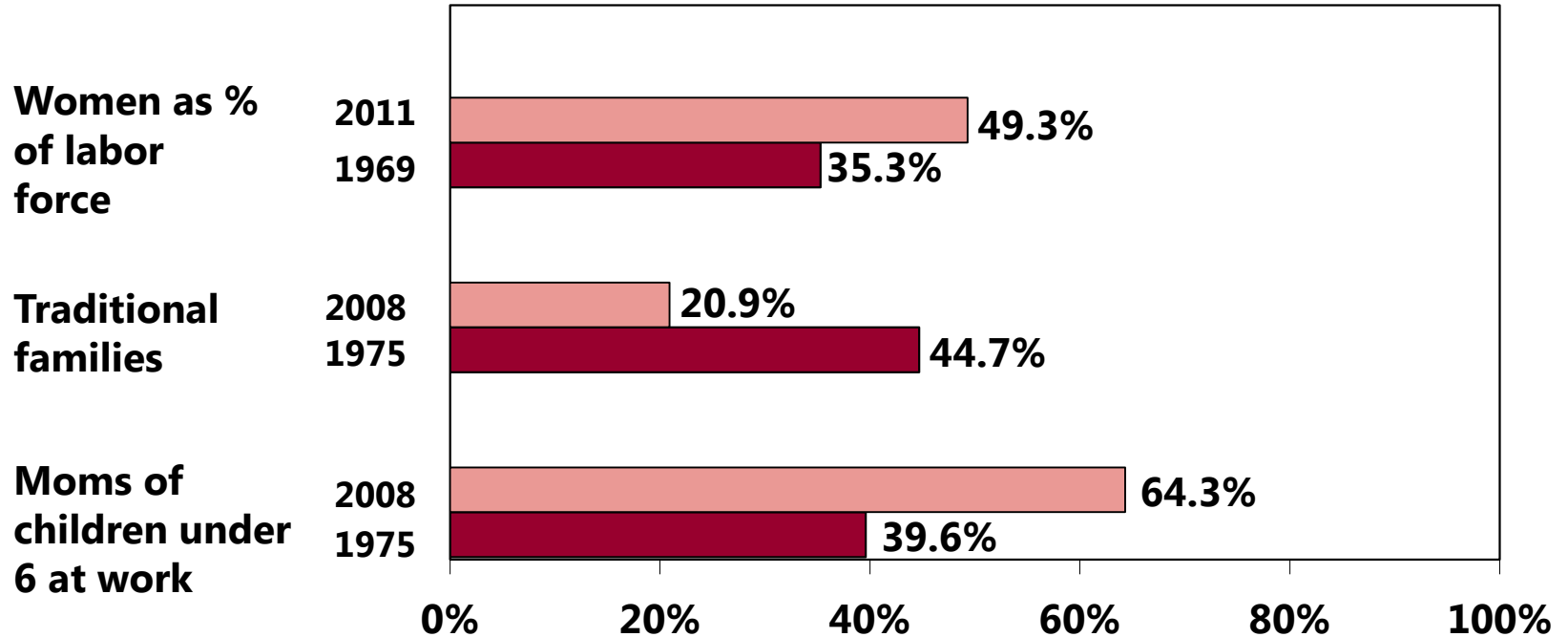
More information is available at www.NationalPartnership.org.



The World of **Work and Family** Has Fundamentally Changed



Women make up half of all workers

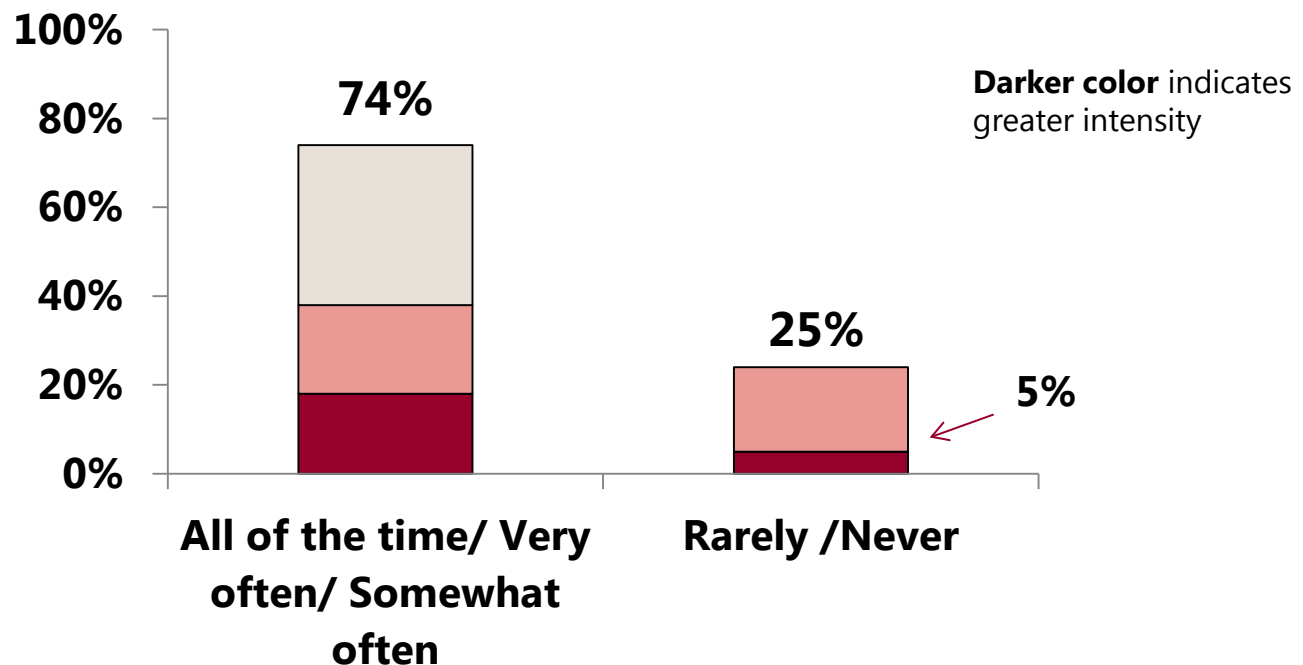


Source: Center for American Progress (4/2012) and (10/2009)

Conflict Between Work and Family is **Nearly Universal**



How often do you, or your neighbors or friends face hardships when managing work, family and personal responsibilities – all of the time, very often, somewhat often, rarely, or never?



Working Parents' **Lack Access** to Paid Leave

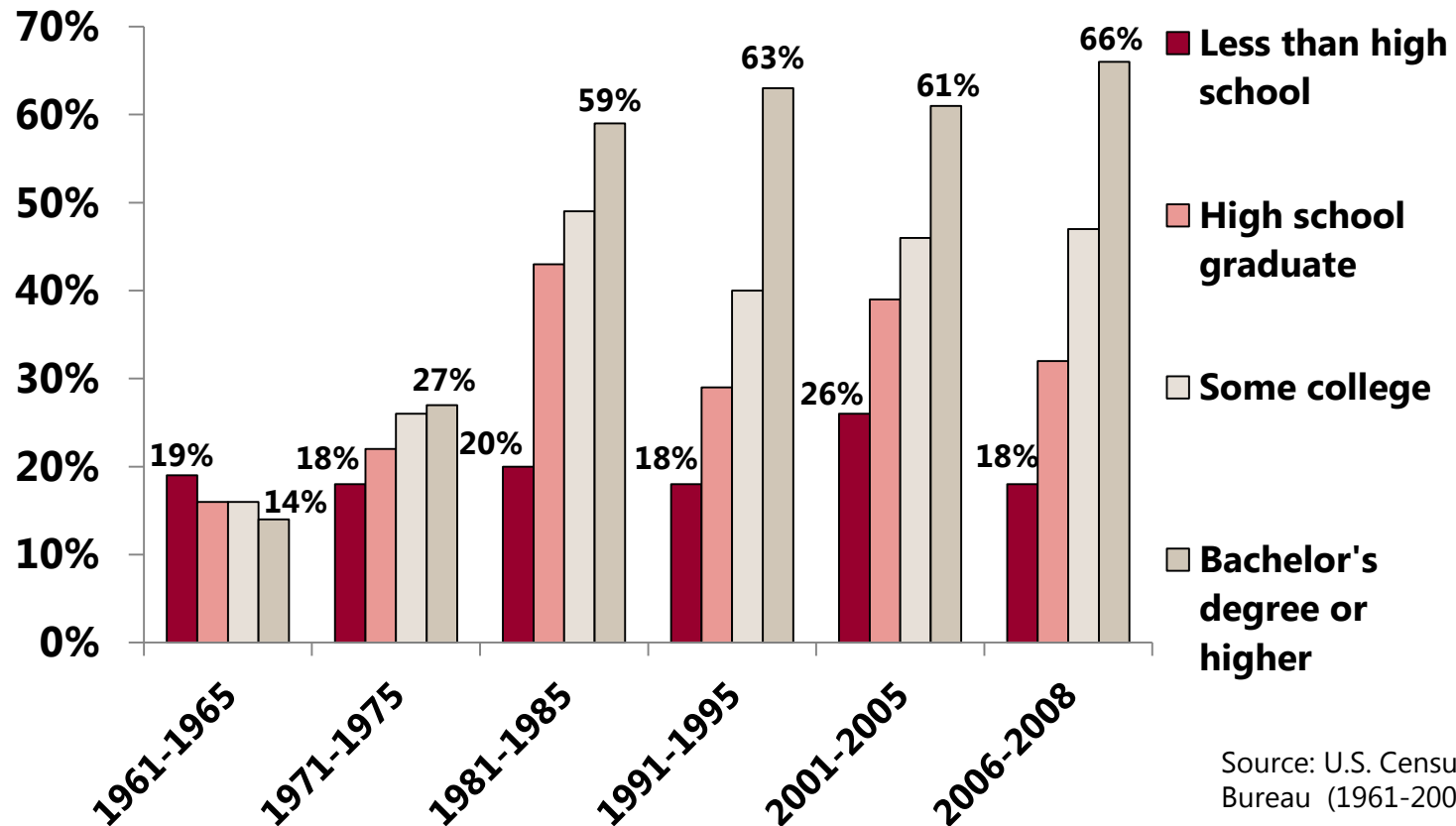


- ▶ **12 percent** of workers have access to paid family leave through their employers.
- ▶ **40 percent** of workers have access to employer-provided short-term disability insurance, which provides partial pay to women recovering from pregnancy and childbirth.
- ▶ **The percentage of employers voluntarily offering paid leave to new mothers fell from 27 percent in 1998 to 16 percent in 2008.**

Just 50 Percent of New Mothers Can Take Any Time Off With Pay



Access to paid leave for first-time mothers lags for all, but the gap between better and less educated mothers is staggering.



Source: U.S. Census Bureau (1961-2008)

Nearly All Workers Would Benefit from Paid Leave



- ▶ **Parents need time to bond with new infants and adopted children for healthy development.**
- ▶ **As the population ages, increasing proportions of workers will have caregiving responsibilities.**
- ▶ **As people stay in the workforce longer, they may encounter a serious health condition that requires time away from work.**
- ▶ **Workers' inability to afford unpaid leave is the most common reason for forgoing a needed leave.**
 - ▶ Nearly half of those who were FMLA-eligible and needed but did not take leave (46 percent) cited lack of pay as the reason.

Paid Leave is Good for Families and Taxpayers



- ▶ Women who take paid leave are **more likely to be working** 9-12 months after a child's birth than are those who report taking no leave at all.
- ▶ Women who take paid leave report **higher wages** in the year following a child's birth than do women who take no leave at all.
- ▶ Women and men who take paid leave following a child's birth are **less likely to need public assistance and food stamps** in the year following a child's birth.



FAMILY Act (H.R. 3712 / S. 1810)

- ▶ Sponsored by Rep. Rosa DeLauro (Conn.) and Sen. Kirsten Gillibrand (N.Y.)
- ▶ Makes up to 12 weeks of paid family and medical leave affordable.
- ▶ Self-sustaining national insurance program modeled on successful paid leave state programs.
- ▶ Over 434 organizations representing all 50 states endorse the FAMILY Act



Introduction of the FAMILY Act (H.R. 3712 / S. 1810)



▶ December 12, 2013

GLAMOUR



The Washington Post

The New York Times



YAHOO! NEWS

WORKING MOTHER

The FAMILY Act is Badly Needed to Update the Outdated Workplace Policies That Are Hurting America's Families



Provisions of the FAMILY Act

- ▶ Provides **12 weeks of paid leave annually** for birth or adoption of child, to care for a loved one with a serious illness, to address own serious health condition, or for certain military caregiving purposes.
- ▶ Benefits are **66 percent** of highest wage in last three years, up to \$4,000/month.
- ▶ Funded through employer-employee payroll deductions of .2 percent (2¢ for every \$10 in wages) each. **Would cost \$1.50 per week for the typical worker.**
- ▶ Would cover workers regardless of employer size, part-time status or time on the job.



Provisions of the FAMILY Act

- ▶ Eligibility based on SSDI work history and work credit requirements, **not tied to FMLA eligibility.**
- ▶ An employee could **not be fired for requesting leave.**
- ▶ A **new Office of Paid Family and Medical Leave** would be established within the Social Security Administration (SSA) to administer the program.
- ▶ Benefits and administrative costs would be paid for out of the new insurance fund.



Myths & Facts About the FAMILY Act

- ▶ Myth: Most people have some paid leave they can use.
- ▶ **Fact: Nearly 40 percent of workers don't have a single paid sick day, 60 percent don't have TDI, 88 percent don't have paid family leave.** Moreover, the jobs that are being created today are lower-wage jobs that don't provide good wages or benefits.

88% of workers don't have paid family leave through their employers.

It's time for **paid leave.**
It's time for the **FAMILY Act.**

NATIONALPARTNERSHIP.ORG/FAMILYACT #FAMILYAct

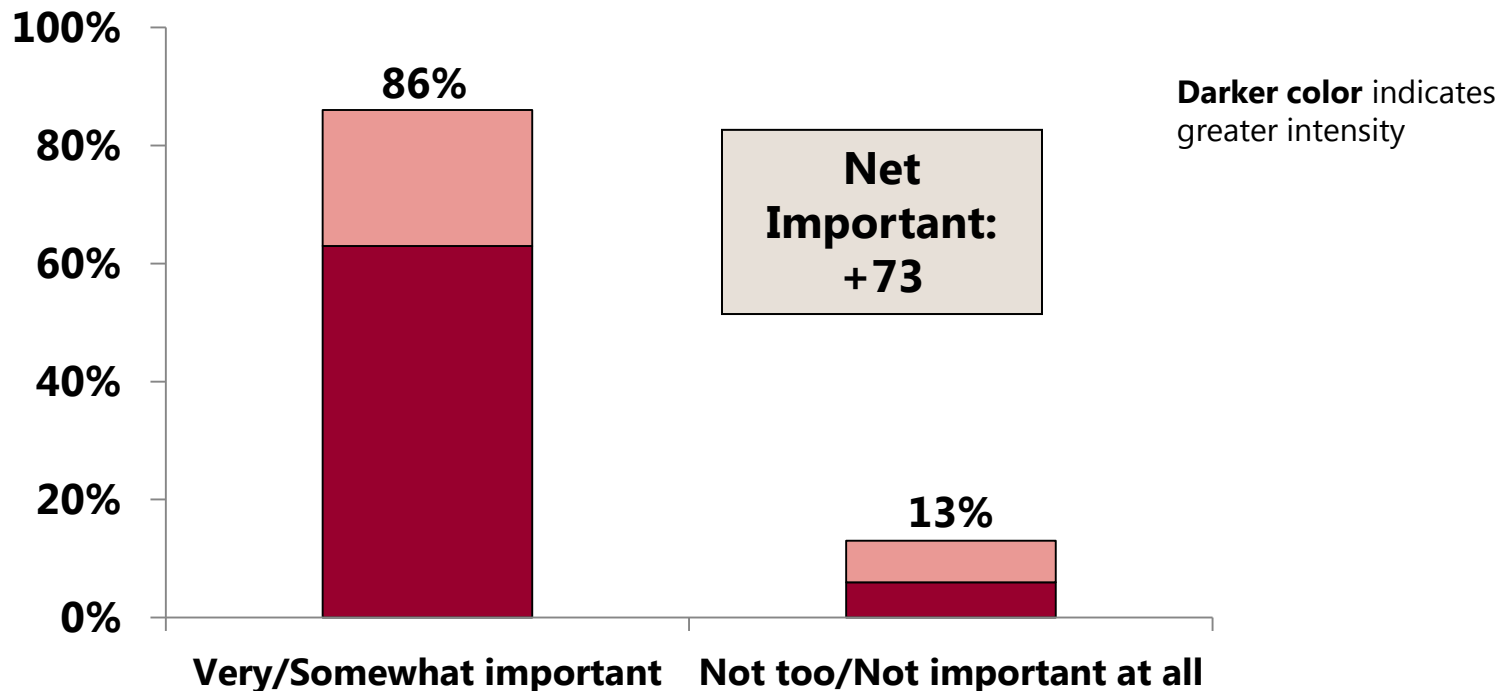


Myths & Facts About the FAMILY Act

- ▶ Myth: Creates a large expensive new government program
- ▶ **Fact: Program pays for itself.**
- ▶ Myth: People will abuse the program and take paid leave when they don't need it.
- ▶ **Fact: Evidence out of California** which has had paid leave since 2002 indicates little to no fraud and there is **a five day waiting period** before a person receives benefits.
- ▶ Myth: This program will push Social Security over the brink.
- ▶ **Fact: Sets up a separate segregated trust fund** and will not impact Social Security solvency. And paid leave makes it easier for new mothers and family caregivers to **stay attached to the workforce and continue to contribute to Social Security.**

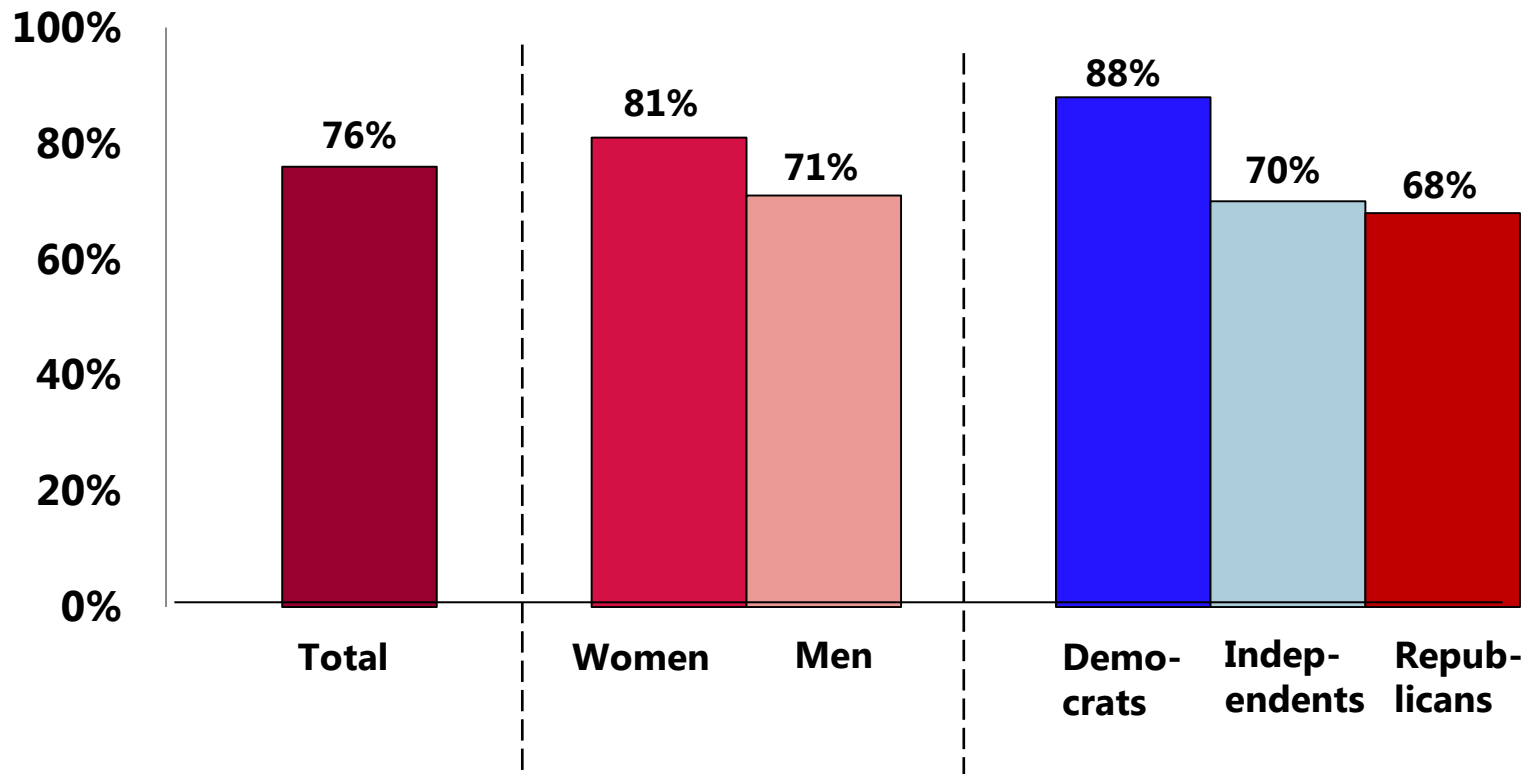
Voters Overwhelmingly Favor Policy Solutions – Including Paid Leave

How important is it to you that Congress and the president consider new laws to help keep working families economically secure, including **ensuring workers the right to earn paid sick days** and **creating a system of family and medical leave insurance**?



Paid Family Leave Policies Enjoy **Strong** and **Broad Support**

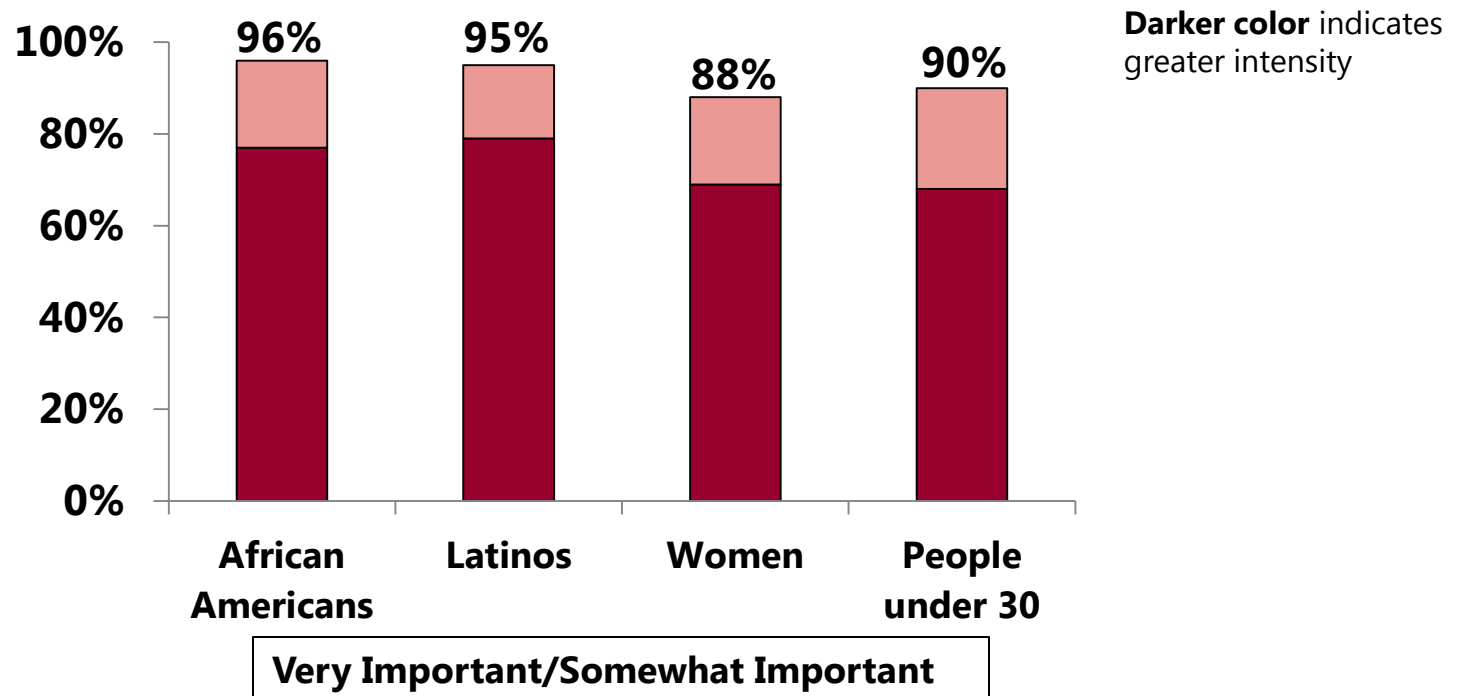
% that support paid leave for family care and childbirth



Source: Precision Opinion (10/2010)

Key Groups **Overwhelmingly Favor Policy Solutions** – Including Paid Leave

How important is it to you that Congress and the president consider new laws to help keep working families economically secure, including **ensuring workers the right to earn paid sick days** and **creating a system of family and medical leave insurance**?



The FAMILY Act is Urgently Needed



- ▶ The **United States trails the world** in providing paid leave to new parents.
- ▶ Paid leave **addresses critical economic and health needs** for children and parents.
- ▶ Paid leave is associated **with improved employment rates, employee retention**, better health and reduced reliance on public assistance.
- ▶ **States provide successful models.** Five states have longstanding temporary disability insurance programs. Three have added paid family leave insurance to them.
- ▶ Family and medical leave insurance is **wildly popular**, and more small businesses support it than oppose it.

For More Information



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