

Family Values @ Work in partnership with Labor Project for Working Families
Family and Medical Leave Insurance Fact Sheet
familyvaluesatwork.org

At some point, nearly everyone needs time to recover from a serious illness or care for a sick loved one or new child. But the majority of working people in the United States cannot take the leave they need without risking their jobs or economic security. **A national Family and Medical Leave Insurance (FMLI) program would allow people to receive a portion of their wages when they need time for family or medical reasons –** resulting in significant benefits for their families, businesses and our economy.

- Currently [only 21 percent](#) of the U.S. workers have access to paid family leave through their employers, and [40 percent](#) have personal medical leave through an employer-provided temporary disability program. Access to paid leave is particularly dismal for people working with the lowest wages: [93 percent of low wage earners have zero access to paid leave](#). That means millions of workers who develop serious health conditions, have seriously ill family members or become parents are forced to choose between what is best for them and their families and income they need to cover basic expenses.
- The Family and Medical Leave Act – the only federal law designed to help working people meet the dual demands of job and family – [leaves out 44 percent of the workforce](#) and guarantees only unpaid leave, which millions cannot afford to take. Those earning less than \$15 an hour are the least likely to be covered by FMLA, as are Latinx, Asian, and Black employees. According to one survey, [nearly one in four pregnant women who are employed return to work within two weeks](#), mostly because they cannot afford to go without pay.
- Every year working families in the United States lose [\\$22.5 billion in lost wages](#) due to a lack of access to paid family and medical leave.



FAMILY AND MEDICAL LEAVE INSURANCE INCREASES FINANCIAL SECURITY FOR WORKING FAMILIES:

Paid leave enables families to maintain economic stability during a family health crisis or following the birth or adoption of a baby.

- [Two-thirds of children](#) under the age of 6 have all parents in the labor force and [yet 40 percent of workers would struggle to pay for a financial emergency of \\$400 or more](#). The average cost of raising a child in the [first year of life exceeds \\$13,000](#).
- Women are the primary or co-breadwinners for nearly two-thirds of the nation's families, so a woman's income loss during pregnancy or maternity leave has [significant economic consequences](#) for her family. Women already experience a "motherhood penalty" of 7 percent per child in their earnings.
- Women who take paid leave after a child's birth are [more likely to be employed](#) the following year and report increased wages than women who do not take leave. First-time mothers who utilized paid leave were [26.3% less likely to quit their jobs and 18.2% more likely to work for the same employer](#) after the birth of their first child. Women who earn low-wages report that having paid time off after childbirth enabled them [to return to work afterwards](#) and decreased their overall stress levels.
- Parents who took leave report [lower levels of public assistance](#) in the year following their child's birth, when compared to those without paid leave.
- Studies show that [seven percent](#) of people who filed for bankruptcy cited the birth of a child as the cause. A [significant number](#) of bankruptcies happen after a worker misses two more weeks of work due to illness.
- [Forty-eight percent](#) of family caregivers who have to take time off to care for a family member lost income during that time.
- Those who received no pay during leave were more likely to be [female, poorer, less educated or younger](#) than those who got at least some pay.

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- The average family caregiver over age 50 who leaves the labor force to care for a parent [loses nearly \\$304,000](#) in wages, Social Security and private pensions. For women, that penalty is even higher at more than \$324,000.60
- Low-income caregivers and Latino caregivers [spend more than 40 percent of their income](#) and Black caregivers spend more than one-third of their income on caregiving expenses.
- Since the 1990s, [women's labor force participation has been declining](#) in part due to a lack of paid leave, leading to a loss in the United States GDP of billions of dollars.

PAID FAMILY LEAVE PROMOTES CAREGIVING BY MEN:

- Family and medical leave insurance [increases men's role in caregiving by making it possible for them to be involved without the family taking a big financial hit](#). In Rhode Island, during the first year of its program, nearly [one-third of all leave takers were men](#).
- In California, [men were nearly 50 percent more likely](#) to take leave to care for a new child at home once the state's paid leave went into effect.
- Fathers in the U.S. who take longer paternity leave are [more involved with their child's care](#) nine months later.
- In Iceland, where men and women each get 3 months paid leave and can share another 3 months, [90 percent of fathers of newborns take leave – and 3 years later, 70% of those couples share child care responsibilities](#).

PAID FAMILY LEAVE PROMOTES WOMEN'S AND CHILDREN'S WELLBEING:

Ensuring that new parents can take time to care for a newborn gives babies their best start in life.

- Four-fifths of respondents who took paid leave reported they were [better able to care for a new baby](#). New mothers who take paid leave are [more likely](#) to take the minimum doctor-recommended six to eight weeks to recover from birth. Newborns

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whose mothers take 12 weeks of leave are [more likely to be breastfed, receive regular check-ups, and get critical immunizations](#).

- Researchers discovered [that paid leave for both parents leads to better health outcomes for women](#) who give birth, including a reduction in anti-anxiety and antibiotic use as well as a decrease in hospitalizations post-delivery.
- Paid parental leave [reduces infant mortality](#) and produces better long-term health outcomes, especially for children with chronic health conditions.¹
- Access to paid family leave has also [shown a decrease in child abuse](#) related head traumas.
- When parents take time to care for their sick children, the kids have a speedier recovery, and the length of hospital stays decreased by nearly a third.²
- Paid leave increases time for treatment for postpartum depression. One in seven (15%) of women experience [postpartum depression](#). Most receive no treatment.

PAID FAMILY LEAVE PROMOTES THE WELLBEING AND INDEPENDENCE OF SENIORS:

Care by adult children helps seniors stay in their homes and avoid more expensive nursing home care.

- Currently, about 43.5 million Americans – [nearly one-fifth of adults](#) – provide care to adult family members or children.
- By 2030, the number of Americans over 65 will be 70 million—[double today's 35 million](#). Nearly two-thirds of Americans under the age of 60 expect to be responsible for the care of an elder relative within the next ten years, and by 2020, about 40 percent of the workforce will be [caring for older parents](#).

¹ Heymann, J., & Earle, A. (2010). Raising the global floor: dismantling the myth that we can't afford good working conditions for everyone. Stanford, CA.: Stanford Politics and Policy.

² Heymann, J. (2001, October 15). The Widening Gap: Why America's Working Families Are in Jeopardy—and What Can Be Done About It. New York, NY: Basic Books.

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- The [prevalence of Alzheimer's disease](#) among people ages 65 and older is projected to increase by nearly 35 percent by 2025.
- For older adults, the presence of a caregiver has been shown to [delay or prevent use of more care intensive health services](#) like home health care and nursing homes.
- [Paid family leave decreases nursing home usage and saves Medicaid dollars](#)
- When cared for by family members, patients in the hospital recover from illness and injury faster, [leading to shorter hospital stays](#), improved health outcomes, and decreased health costs.
- Paid medical leave is critical to helping [older workers stay in the labor force](#) and maintain their economic security.

BUSINESSES SUPPORT FAMILY AND MEDICAL LEAVE PROGRAMS:

Replacement income provided by FMLI goes right back into the local economy, boosting businesses, as workers spend it to help cover the basics.

- A [vast majority of small business owners](#) surveyed by Main Street Alliance support a social insurance model for paid family leave.
- Business owners cite [weak sales](#) as the biggest problem for their business and the economy, according to a joint survey by the American Sustainable Business Council, Main Street Alliance and the Small Business Majority.
- California employers report that the program has had a [neutral or positive effect on employee productivity](#), profitability, and turnover, and most employers coordinate their own benefits with the state's PFL program.
- A [2013 study](#) found that 87% of California employers said the state's paid family leave program had not resulted in any cost increases. A recent Rutgers study shows that [New Jersey's](#) FMLI program has saved businesses money by improving employee retention, decreasing turnover costs, and improving productivity.
- A [2016 study](#) of smaller manufacturing firms and restaurants in Rhode Island showed

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support for paid family leave in its first year of implementation.

- Small business owners in particular often want to offer paid leave to their employees but are [unable to do so outside of a government program](#).
- Small business owners say the lack of a national paid leave program puts them at a [disadvantage](#).

STATES ARE TAKING ACTION TO ADOPT FAMILY AND MEDICAL LEAVE INSURANCE PROGRAMS:

Across the country, diverse state coalitions are working to introduce and pass FMLI to support families and boost the economy. Now 8 states and the District of Columbia have passed paid leave.

- In 2002, California became the first state to pass a Paid Family Leave program, which provides access to family leave insurance for about 13 million Californians. The program has been enormously successful. Research shows that California's paid leave program has improved worker retention and increased productivity, profitability and morale. More than [9 in 10 employers](#) report no costs – or cost-savings – from the program.
- New Jersey implemented its law in 2009, ensuring access to paid family leave for 3.7 million in the state. Contrary to predictions from opponents, the [program has had no negative impact on businesses](#). Many employers have reported increased employee morale as a result, and more than 3 in 4 [New Jerseyans support the law](#). In January 2019, New Jersey improved on their state program by increasing the number of weeks, improving job protections, and creating an inclusive definition of family for caregiving reasons.
- In 2013, [Rhode Island](#) became the third state to adopt a family leave insurance program, known as Temporary Care Insurance. This initiative broke new ground by protecting the jobs of all workers who use the program, not just those who are also covered by the Family and Medical Leave Act. [Those who use the leave report a decrease in stress, stronger financial stability, and a better ability to arrange their life to adjust to caregiving needs.](#)

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- In March 2016, the [New York State legislature](#) voted to pass a 12 week, job protected family leave insurance program, making the leave the longest, guaranteed paid leave in the country up to that point.
- Also in March 2016, [San Francisco created the first in the nation](#) fully paid 6-week parental leave. The leave requires employers to make up the difference in salary for employees who use the state insurance fund, which provides 55% of wages, when taking time off to care for a new child.
- [The District of Columbia](#) passed a paid leave bill in December 2016. Their bill was the first to include progressive wage replacement levels, 90 percent of pay for those earning up to 150 percent of the minimum wage.
- In June 2017, [the state of Washington](#) passed paid leave with strong bipartisan support. The law allows for 12 weeks of medical leave (14 if there are complications from pregnancy) and 12 weeks for family leave, with a cap of 16 weeks per year. Washington also has progressive wage replacement and allows for the use of paid leave to deal with a “qualifying exigency” caused by military deployment of a spouse, parent or domestic partner.
- In June 2018, [the Republican governor of Massachusetts](#), signed into law a new paid family and medical leave insurance which will provide 12 weeks of family leave and 20 weeks of medical leave, and in some cases up to 26 weeks of leave. Similar to Washington state, Massachusetts includes a progressive wage replacement and time off to deal with a military deployment.
- In June 2019, [Connecticut passed a paid leave law](#) that will provide up to 12 weeks of leave for caregiving or self-care, and include an additional 2 weeks for complications associated with pregnancy, and up to 95% wage replacement for low-wage workers. All leave-takers have job protection.
- In July 2019, [Oregon passed a paid leave law](#) that will provide up to 12 weeks of leave and 100% wage replacement for low-wage workers. The law has an inclusive definition of family so that people can use the leave to care for their loved ones, no matter how they are related to each other. All leave-takers have job protection.

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- While state coalitions are actively advocating for change, many city council members, mayors, and statewide office holders have taken action for their own staff. Over 25 municipalities across the country now offer paid parental leave for city workers.

A NATIONAL FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM:

Congressional leaders are working to establish a national family and medical leave insurance program that builds on the work states are already doing on similar programs.

- A [bill in Congress](#) would establish a national family and medical leave insurance program. The FAMILY Act, which was introduced by Sen. Kirsten Gillibrand (D-NY) in the Senate and Rep. Rosa DeLauro (D-CT) in the House of Representatives currently has 206 cosponsors in the House and 35 in the Senate.
- This bill would provide workers up to 12 weeks of paid leave for a personal serious illness, an illness of a child, parent or spouse and the birth or adoption of a child, among others. Workers and employers would each contribute two-tenths of one percent of pay into this insurance program; the self-sustaining fund would mean workers could receive up to 66 percent of their wages while on leave.

POLLS SHOW BROAD SUPPORT AMONG VOTERS FOR FMLI

- [8 in 10 voters want a national comprehensive paid leave insurance](#) - including 94 percent Democrats, 83 percent of Independents and 74 percent of Republicans.
- [A survey of business executives](#) conducted by LuntzGlobal shows overwhelming support for paid parental leave.
- Most [small business owners](#) surveyed by Main Street Alliance also support a national paid family and medical leave program.
- [Latinos, African Americans, women and young people](#) feel strongest about the importance of congressional and presidential action: 79 percent of Latinos, 77 percent of African Americans, 69 percent of women and 68 percent of people under 30 considered it “very important.”