



FIRST FOCUS CAMPAIGN FOR CHILDREN

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U.S. Senate Committee on Finance
Subcommittee on Social Security, Pensions, and Family Policy
Hearing: Examining the Importance of Paid Family Leave for American Working Families

July 11, 2018

Dear Subcommittee Chairman Cassidy, Ranking Member Brown and Members of the Subcommittee on Social Security, Pensions, and Family Policy, we thank you for the opportunity to submit this statement for the record on the hearing focused on addressing the need for a comprehensive, bipartisan nationwide paid leave policy.

First Focus Campaign for Children is a bipartisan advocacy organization dedicated to making children and families a priority in federal policy and budget decisions. As an organization dedicated to promoting the safety and well-being of all children in the United States, we support the establishment of a universal paid family and medical leave program that ensures families must never have to choose between financial stability and the ability to care for children or other loved ones in a time of need.

The United States drastically lags behind the rest of the developed world when it comes to paid family leave. We are the only OECD (Organization for Economic Co-Operation and Development) country that does not provide paid maternity leave nationwide, and paid leave is given to both parents in 23 OECD countries.¹

Creating a national paid family and medical leave program in the U.S. would have significant positive implications for reducing child poverty and improving child health. The birth of a child often results in large medical bills for families, and the income earned during paid leave can be used to cover these medical expenses and prevent a family from falling behind on other bills such as rent and utilities.

¹ Oecd.org. (2016). *Parental leave: Where are the fathers?*. [online] Available at: <https://www.oecd.org/policy-briefs/parental-leave-where-are-the-fathers.pdf> [Accessed 24 Jul. 2018].

Infants in the U.S are 76 percent more likely to die than those born in other countries.² Infant and maternal mortality rates in the U.S are far too high in comparison to other wealthy nations, and a national policy on paid family leave would help combat this. A study from Public Health Report, finds an increase of 10 weeks paid maternity leave predicted a 10% decrease in neonatal and infant mortality rates.³

Multiple states have already successfully implemented paid leave policies, yet a national paid leave program must be created to reach the millions of men and women who lack access to both unpaid and paid leave. While the Family and Medical Leave Act (FMLA), adopted over 25 years ago, provides critical job protection for millions of workers in the U.S., only about 60 percent of the nation's workforce is eligible for protection, and there are many more employees who cannot afford to take leave that is unpaid.⁴ Currently, only 15% of American workers have access to paid leave, and those who do not must choose between losing valuable income or providing loved ones, and themselves, the care they need.⁵

The Family and Medical Insurance Leave (FAMILY) Act of 2017, introduced by Senator Kirsten Gillibrand (D-NY) and Congresswoman Rosa DeLauro (D-CT-3), would create a program that combines employer and employee payroll contributions to create a shared fund for paid family and medical leave for all employers of all sizes. Workers in all companies would be eligible for up to 12 weeks of partial income, earning 66 percent of their monthly wages up to a capped amount, for family and medical leave. Paid leave could be used during a pregnancy, for childbirth recovery, serious health condition of a child, parent, spouse or domestic partner, adoption of a child, and/or military caregiving and leave.

The FAMILY Act would allow for working individuals to take paid time off, and would not discriminate based on gender or the nature of their job. By allowing both parents to take valuable time off after the birth or adoption of a child, men are able to be more involved in direct care, therefore creating greater equality in households.⁶

² Thakrar, A., Forrest, A., Maltenfort, M. and Forrest, C. (2018). Child Mortality In The US And 19 OECD Comparator Nations: A 50-Year Time-Trend Analysis. *Health Affairs*, [online] 37(1), pp.140-149. Available at: <https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2017.0767>.

³ Heymann, J., Raub, A. and Earle, A. (2011). Creating and Using New Data Sources to Analyze the Relationship between Social Policy and Global Health: The Case of Maternal Leave. *Public Health Reports*, [online] 126(3_suppl), pp.127-134. Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3150137/>.

⁴ Abt Associates Inc (2014). *Family and Medical Leave in 2012: Technical Report*. Cambridge MA. Available at: <https://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Technical-Report.pdf>

⁵ Nationalpartnership.org. (2018). Oppose Retirement Penalties for Parents Toolkit. [online] Available at: <http://www.nationalpartnership.org/research-library/work-family/coalition/oppose-retirement-penalties-for-parents-coalition-toolkit.pdf> [Accessed 23 Jul. 2018].

⁶ Nationalpartnership.org. (2018). *Fathers Need Paid Family and Medical Leave Fact Sheet*. [online] Available at: <http://www.nationalpartnership.org/research-library/work-family/paid-leave/fathers-need-paid-family-and-medical-leave.pdf> [Accessed 24 Jul. 2018].

It would also improve both maternal and child health, because mothers are more able to breastfeed⁷, parents are more likely to have their children immunized and take them to important check-ups.⁸ Studies show that when families have access to paid leave, children get over illnesses and heal faster.⁷

Due to a lack of paid leave, as of 2015, 1 in 4 women returned to work just two weeks after giving birth.⁹ This is detrimental for women's health as it has been proven that returning to work prior to six weeks after giving birth puts mothers at a much greater risk for postpartum depression.¹⁰

The FAMILY Act also has positive consequences for family economic security. According to the National Partnership for Women and Families, the FAMILY Act could reduce by 81 percent the number of the nation's families facing economic insecurity when they need time to care. In addition, new mothers who take paid leave are over 50 percent more likely to receive a future pay increase.¹¹ In addition to helping families, nationwide paid family and medical leave would help the American economy. Our current lack of paid leave costs the economy \$20.6 billion per year.¹²

In contrast, we have concerns about the proposal included in Senator Ernst's testimony, which would require families to pull from Social Security funds in order to cover paid family leave. In the long-term, this would hurt low-income families, creating financial stress as they age into retirement. This proposal would also only account for paid parental leave, thus not allowing workers to take paid time off to care for themselves or other loved ones suffering from chronic illness.

A universal paid family and medical leave program in the U.S. is needed now more than ever. According to a 2014 report from the U.S. Census Bureau, the population aged over 65 will be double what it was in 2012 by 2050.¹³ With a growing aging population, our nation must be ready

⁷ Earle, A., Mokomane, Z. and Heymann, J. (2011). International Perspectives on Work-Family Policies: Lessons from the World's Most Competitive Economies. *The Future of Children*, 21(2). Available at: <https://www.ncbi.nlm.nih.gov/pubmed/22013634>

⁸ Berger, L., Hill, J. and Waldfogel, J. (2005). Maternity leave, early maternal employment and child health and development in the US*. *The Economic Journal*, 115(501). Available at <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.0013-0133.2005.00971.x>

⁹ Paquette, D. (2015). The shocking number of new moms who return to work two weeks after childbirth. *The Washington Post*. [online] Available at: https://www.washingtonpost.com/news/wonk/wp/2015/08/19/the-shocking-number-of-new-moms-who-return-to-work-two-weeks-after-childbirth/?utm_term=.43afa961b0f6 [Accessed 24 Jul. 2018].

¹⁰ Dagher, R., McGovern, P. and Dowd, B. (2013). Maternity Leave Duration and Postpartum Mental and Physical Health: Implications for Leave Policies. *Journal of Health Politics, Policy and Law*, 39(2). Available at: <https://www.ncbi.nlm.nih.gov/pubmed/24305845>

¹¹ Houser, L. and Vartanian, T. (2012). *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*. New Brunswick NJ: Rutgers Center for Women and Work. Available at: <http://www.nationalpartnership.org/research-library/work-family/other/pay-matters.pdf>

¹² Saad-Lessler, J. and Bahn, K. (2017). *The Importance of Paid Leave for Caregivers - Center for American Progress*. [online] Center for American Progress. Available at: <https://www.americanprogress.org/issues/women/reports/2017/09/27/439684/importance-paid-leave-caregivers/#fn-439684-11> [Accessed 24 Jul. 2018].

¹³ Ortman, J., Velkoff, V. and Hogan, H. (2014). *An Aging Nation: The Older Population in the United States*. [online] Census.gov. Available at: <https://www.census.gov/prod/2014pubs/p25-1140.pdf> [Accessed 24 Jul. 2018].

to support the increasing amount of unpaid caregivers who will have to take time off work to care for a spouse, parent, or other loved ones.

We thank you again for the opportunity to submit this written testimony. We look forward to working with you to help ensure that all families and children are prioritized in the implementation of a national paid leave policy.