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**Testimony in support of H.B. 6932,
An Act Concerning Paid Family Leave
Submitted by Sherry Leiwant, Co-President and Co-Founder, A Better Balance**

I am submitting this testimony on behalf of my organization, A Better Balance, which is a legal advocacy organization whose mission is to fight for policies that will protect American workers from having to choose between caring for their families and maintaining their economic security. To that end, we have been working on paid family leave issues in states throughout the country for the last ten years. We are delighted that a paid family leave bill has been introduced in Connecticut and testify in support of this important bill.

Paid family leave – an issue whose time has come.

It comes as a shock to most Americans that the United States is the only developed country that does not provide paid leave to workers when a new child is born. Among industrialized nations, the United States stands alone in its failure to guarantee workers paid leave. As of 2011, 178 countries have national laws that guarantee paid leave to new mothers. Only three countries in the world provide absolutely no legal right to paid maternity leave — Papua New Guinea, Swaziland, and the United States.ⁱ With no right to paid family leave, workers must rely on their employers to provide these benefits, but because they are expensive most employers do not voluntarily provide them: as of March 2013, only 12% of American workers received paid family leave through their employers.ⁱⁱ Among the lowest wage earners in the country, only 4% of workers have access to paid family leave.ⁱⁱⁱ Therefore, far too many workers are forced to choose between their jobs and their family's health and wellbeing.

The lack of paid family leave reflects the fact that our workplace laws and policies have failed to keep up with the changing nature and demographics of working families. The labor force participation rate of women and mothers has increased significantly during the past 40 years, and the number of dual-income families and single working parents has skyrocketed. Despite these changes, we have failed to pass laws and policies that allow workers to care for loved ones without risking their economic security. It is critical that we pass laws to guarantee paid family leave to bond with new children and care for seriously ill loved ones.

Americans are beginning to recognize the importance of this issue for our families. In his State of the Union message, our President recognized that the U.S. is “the only advanced country on Earth that doesn't guarantee paid sick leave or paid maternity leave to our workers.” He pledged to make Federal money available to the states to study the issue with the hope that they would lead the way in providing paid family leave for their citizens. California, New Jersey and Rhode Island already have paid family leave programs that have been extremely successful and have caused no problems for

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employers. And this year, there are dozens of other states including Connecticut exploring the possibility of setting up their own paid family leave programs.

The emergence of paid family leave as an important issue is a reflection that paid family leave is a win for everyone: workers, businesses, children, elders, and the economy. A paid family leave program would make it easier for new parents—both mothers and fathers—to care for their children without undue financial hardship. Research has shown that paid family leave helps parents to recover from childbirth, bond with newborn or newly adopted children, and better meet their children's health needs.^{iv} Access to paid family leave also increases the likelihood and average duration of breastfeeding, which improves the health of newborn children and their mothers.^v Seriously ill children benefit when their parents can afford time off to care for them. Research shows that ill children have better vital signs, faster recoveries, and reduced hospital stays when cared for by parents.^{vi}

In addition, with paid family leave, workers would not have to sacrifice their economic security in order to care for ill or aging relatives. The benefits of family caregiving to elderly and sick individuals are clear: family caregivers can help these individuals recover more quickly and spend less time in hospitals.^{vii} Policies that support family caregiving create savings that benefit all Connecticut taxpayers. Unpaid family caregivers not only help to ease the burden on our crowded hospitals and long-term care facilities but also create enormous financial savings. For example, recipients of family caregiving are less likely to have nursing home care or home health care paid for by Medicare.^{viii} In 2007, unpaid family caregivers in the United States provided services valued at approximately \$375 billion a year.^{ix}

As noted above, California, New Jersey, and Rhode Island have adopted—and successfully implemented—similar paid family leave laws to those proposed in this law. Research shows that an overwhelming majority of California employers believe paid family leave has had a positive or neutral effect on their business operations.^x Studies have also shown that paid family leave leads to business savings, by increasing employee retention, lowering turnover costs, improving productivity, and enhancing worker morale and loyalty.^{xi} In today's economy, paid family leave is a low-cost way to keep workers employed and to help workers meet family needs. For example, women who take paid leave after a child's birth are more likely to be employed 9-12 months after the child's birth than working women who take no leave. New mothers who take paid leave are also more likely to report wage increases in the year following the child's birth.^{xii} When forced to leave their jobs or take unpaid leave, many poorer workers must turn to public assistance programs for support. By keeping workers with caregiving needs attached to the workforce, paid family leave can decrease reliance on public assistance, in turn creating significant taxpayer savings.^{xiii}

The Connecticut proposal.

The bill before you is generally a very good bill, crafted along the same lines as the successful programs in the states that have enacted paid family leave. It is an insurance program financed by small employee contributions that will enable workers who need to take time off when they have a



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new child or need to care for their own serious illness or that of a family member to do so with some pay for twelve weeks.

Although this bill is a good start, there are a few things that should be changed before this bill moves forward. Based on the experience of other jurisdictions that have enacted paid family leave as well as policy analysis, we recommend the following changes to the bill:

1. **The program should not require “opt-in” or application before benefits are needed.** Section 8 seems to create a paid family leave system that requires affirmative action by employees in order to be part of the program. Yet it also appears that all workers in Connecticut will contribute to the program. Requiring a worker to submit an application to DOL to “enroll” in the program before being eligible for benefits is an unnecessary burden for both the worker and the system. Workers may not realize they need to make application as intuitively most people would assume they only need to file an application when they are ready to collect benefits. This requirement will create a barrier to ultimate receipt of benefits when they are needed and it is most likely low wage workers who will be most likely to neglect to file the necessary preliminary application – and as research has shown they are the workers who most need income support during major personal events and who benefit the most from having a state run paid family leave program. The best program is one where all employees pay in, where the administrative burdens are minimal and insure that all employees can benefit. This unnecessary application requirement should be eliminated

2. **The definition of “son or daughter” leaves out many people who need care.** Currently, CT FMLA only applies to children who are under 18 years old, unless they have a mental or physical disability that makes them “incapable” of self-care. Because this law does include care of other adult family members like parents or spouses, it makes little sense to exclude an adult child who may rely on his or her parent for care during a serious illness. There are many adults, especially young adults without a spouse or child, who would also rely on his or her parents in this situation. Adult children should be included in the definition of “son” or “daughter.” This language which needs change appears in Sections 1 and 16.

3. **This bill adds too many requirements for eligibility.** Currently, CT FMLA requires that a person work for 1 year and work for 1000 hours before taking unpaid leave. That provision should be removed. The sole requirement for eligibility for benefits should be earning \$9300 in the previous year. This simplifies the program and does not exclude so many workers who have contributed to the program from benefits. If ALL of these criteria are included as eligibility criteria as is currently the case in Section 16 under the “eligible employee” definition, many workers who contribute their hard earned dollars to the program will not be able to take advantage

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of it when they need it.

4. **Superior benefits should be protected.** This law provides a minimum benefit for a family leave program. Employers can do better and should be encouraged to do so. Therefore, the law should be crystal clear that employees who have collectively bargained for superior benefits will still be entitled to those benefits under their contract and this law will not interfere with that.

5. **The program needs more time for start-up.** In order to make financing of start up of the program as easy as possible, it is important to allow some time between the beginning of collection of insurance premiums and the start of benefits under the program. Currently, Section 2 says that DOL will begin accepting enrollment applications on October 1, 2015 and then will accept contributions starting on July 1, 2016. As suggested above, the “opt in” enrollment should be eliminated. It would then be a good idea for the solvency of the program for DOL to begin collecting contributions on February 1, 2016 to get the fund going, and begin distributing benefits 1 year later, on February 1, 2017.

6. **Job protection must be included.** It is unfair to expect a worker to pay into an insurance program designed to give benefits in certain situations if in order to access those benefits the worker must risk his or her job. That is why it is important that workers who access benefits under this law be assured their jobs will be protected if they choose to take advantage of the program for which they paid. Section 31-51nn which provided job protection was left out of the bill. It is critical that this be included in the bill.

Thank you for this opportunity to submit testimony.

¹ *Failing its Families: Lack of Paid Leave and Work-Family Supports in the US*, Human Rights Watch (Feb. 2011), p. 1. There is insufficient information on paid leave in Bhutan, Liberia, Tuvalu, Samoa, Sierra Leone, Bosnia-Herzegovina, Marshall Islands, Micronesia, and Suriname.

² U.S. Department of Labor, Bureau of Labor Statistics, *National Compensation Survey: Employee Benefits in the United States, March 2013* (September 2013), Civilian Workers Table 32, available at: www.bls.gov/ncs/ebs/benefits/2013/ebbl0052.pdf.

³ *Ibid.* (figure for the bottom 10% of wage earners)

⁴ *Ibid.*, pp. 37-48.

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^v Ibid., pp. 37-38.

^{vi} See S. J. Heymann, A. Earle & B. Egleston, *Parental Availability for the Care of Sick Children*, *Pediatrics*, Vol. 98 No. 2 (Aug. 1996), pp. 226-30; S.J. Heymann, *The Widening Gap: Why America's Working Families are in Jeopardy and What Can Be Done About It*, Basic Books (2000), p. 57.

^{vii} See, e.g., A. Houser & M.J. Gibson, *Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*,

AARP Public Policy Institute (Nov. 2008), pp. 1-2, 6; --, *Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving*, AARP (June 2007), p. 6.

^{viii} Houser and Gibson, *Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving*, p. 6.

^{ix} --, *Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*, pp. 1-2.

^x E. Appelbaum & R. Milkman, *Leaves that Pay: Employer and Worker Experiences with Paid Family Leave in California*, CEPR (Jan. 2011), p. 4.

^{xi} See, e.g., Ibid, pp. 5, 8; E. Rudd, *Family Leave: A Policy Concept Made in America*, Sloan Work and Family Research Network (2004).

^{xii} L. Houser & T. Vartanian, *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*, commissioned by the National Partnership for Women & Families and conducted by the Center for Women and Work at Rutgers University (Jan. 2012), pp. 6-7.

^{xiii} See, e.g., A. Dube & E. Kaplan, *Paid Family Leave in California: An Analysis of Costs and Benefits*, Labor Project for Working Families (July 2002), pp. 44-49 (estimating annual savings of \$23.5 million in usage of food stamps and TANF).