



EVIDENCE ON THE BENEFITS OF EXPANDED ACCESS TO FAMILY AND MEDICAL LEAVE

**Statement of
Elisabeth Jacobs*
Senior Fellow, Urban Institute**

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**BALANCING WORK, HEALTH, AND FAMILY: THE CASE FOR
EXPANDING THE FAMILY AND MEDICAL LEAVE ACT**

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*The views expressed are my own and should not be attributed to the Urban Institute, its trustees, or its funders.

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My name is Elisabeth Jacobs, and I am a senior fellow at the Urban Institute. The nonprofit Urban Institute is the nation's leading research organization dedicated to developing evidence-backed insights that improve people's lives and strengthen communities. For more than five decades, Urban has been a trusted source for rigorous analysis of complex social and economic challenges; strategic advice to policymakers, philanthropists, and practitioners; and policy insights that elevate debate. Our objective research helps expand opportunities for all.

I am pleased to be here today to address an important topic for workers, families, and our economy as a whole: the role that family and medical leave plays in supporting the millions of Americans balancing work and caregiving responsibilities. The views expressed are my own and should not be attributed to the Urban Institute, its trustees, or its funders.

The passage of the Family and Medical Leave Act (FMLA) in 1993 was a historic milestone, the first federal law to support workers balancing work and family responsibilities. FMLA allows eligible employees to take up to 12 work weeks of unpaid leave with job protection to care for a new child, to care for a seriously ill family member, or to recover from a serious illness. As I will discuss, FMLA has had important positive effects on families and workers, with limited impact on employers. At the same time, the limits of FMLA mean that too many families still face an impossible choice between economic security and caring for a loved one. Millions of the most economically vulnerable workers are excluded from taking job-protected leave under FMLA because of its outdated eligibility requirements. And, in the absence of broadly accessible paid family and medical leave, many FMLA-eligible workers cannot take the time off from work necessary to care for their loved ones. A growing body of evidence suggests that policies that provide paid earned leave with job protection for caregiving can ease the conflict between work and family responsibilities with few negative consequences for business and important positive implications for overall economic growth.

My testimony draws four major conclusions:

- The job-protected leave provided by FMLA has important benefits for workers (especially working mothers) and children, with minimal evidence of negative impacts on business outcomes or broader macroeconomic indicators.
- Access to FMLA's job protection is limited, and many of the workers who most need time off to provide care for themselves or a loved one cannot take needed leave.
- Although the job protection provided by FMLA is an important component of leave policy, it is only one of several critically important elements, including wage replacement and public awareness of policies and legal protections. How a policy is designed may affect which demographic groups are likely to use the benefits.
- Policy has a crucial role to play. States have recognized this, and many have expanded FMLA policies to go well beyond that of federal regulations in order to offer more equitable protections for their workforce. A growing number of states has implemented paid family and medical leave programs that offer wage replacement, in addition to job protection, to address the challenge faced by the millions of workers who cannot afford to take a leave without pay. Well-designed federal policy solutions should build upon the work already done by states to expand access to caregiving leave in ways that would deliver much-needed economic security and opportunity to workers and

families, with minimal impact on businesses. Federal family and medical leave policy could also have important positive impacts on economic growth for the nation as a whole.

The rest of my testimony will (1) discuss the shifts in both caregiving needs and the organization of work over the past quarter-century, which together have increased the urgency for policies supporting those balancing work and care; (2) describe the limits on access to FMLA job protection in the context of these shifts in caregiving and work; (3) examine the impacts of job-protected leave on a range of critically important outcomes, including children's health and well-being, employment and earnings for parents and other caregivers, and business productivity; (4) review several other key elements of policy design for a family leave policy that effectively supports a range of workers and worker needs, including wage replacement and implementation. I conclude by suggesting key implications for policy moving forward.

1. Family earnings dynamics, caregiving needs, and the structure of the labor market have substantially evolved in the past quarter-century.

Changes in household earning dynamics

First, women now play an equally important role as family breadwinners as they do as family caregivers. Women make up nearly half (47 percent) of all employed US workers.¹ Fifty-nine percent of women older than 20 participated in the labor market in 2020, compared with 34 percent in 1950.² In 2017, 41 percent of mothers were the sole or primary breadwinners for their families, earning at least half of their household's total earnings. This figure includes both single working mothers and married mothers who outearn their husbands. An additional 23 percent of mothers are co-breadwinners, or married mothers whose wages make up at least 25 percent of their household's total earnings.³ Between 1968 and 2017, the share of families with children younger than 18 headed by a single mother increased from 12 percent to 21 percent, with an additional 4 percent headed by a single father.⁴ The increase in single-parent families means that more workers, especially women, are juggling both work and care responsibilities with no second adult available to help.

Women's increasing contribution to household earnings has come not only from the increase in their hourly pay, but also from a substantial increase in hours worked. In the past quarter-century, the average American woman saw her annual work hours increase by 26 percent, a trend that holds across socioeconomic groups.⁵ Women's increased labor force participation has been an engine of economic growth, with one study estimating that the increase in women's work hours over the past four decades added \$1.7 trillion to gross domestic product in 2012.⁶ The combination of the successes of the women's rights movement and economic necessity means that most women work outside the home today. Yet caregiving needs persist—babies join families, workers get sick, and children and aging parents and partners need care.

Changes in caregiving needs

The aging of the population means that the caregiving challenge in the US is growing and will continue to do so for many decades. The absolute size of the baby boom generation, whose members were born between 1946 and 1964, means that the sheer number of older people grows annually. And the relative size of that

cohort, compared with those born since the mid-1960s, means that the share of working Americans with caregiving responsibilities for an aging parent (and, often, young children) is growing as well. The fastest-growing group of older adults are those ages 80 and older, who are most likely to face significant physical and/or cognitive impairments. At the same time, American families are shrinking, and the composition of families is changing as more people do not have children, never marry, divorce, or blend families through remarriage. Despite intensifying demands for family caregiving, more than half of caregivers are employed.⁷

Moreover, the labor force is aging. Advances in medicine mean that workers can be employed longer, a trend that is likely to continue. The Bureau of Labor Statistics estimates that between 2014 and 2024, the share of the labor force made up of workers ages 65 to 74 will grow by 4.5 percent and the share of workers 75 and older will grow by 6.4 percent.⁸ The probability of workers experiencing health problems that temporarily interrupt their ability to work increases with age, as does the probability that a working or nonworking spouse will need care. The working-age children of older workers are also more likely to increasingly experience work interruptions to care for their parents.

Changes in the structure of work

The blueprints for the design of labor policy in the US were drawn up in the first half of the 20th century. Policymakers laid out rules to govern stable, full-time employment at a time when most workers were employed by a single employer for the entirety of their working lives. Our current policy architecture is based on those blueprints, including FMLA. Yet employment arrangements for many workers today look very different from the full-time, lifetime-employer model of the past. Moreover, three related trends indicate that the future of work in the 21st century will be increasingly made up of unstable, contingent, and contract employment.

First, the rise of the “fissured workplace” has altered the structure of the labor market, with important implications for workers’ wages and benefits.⁹ In a fissured workplace, the business sheds secondary functions to focus on core competencies. The “fissures” deepen and spread as secondary businesses shift some activities to yet another company, and so on. Consider a hotel that outsources its cleaning services to one firm, its dining services to another, its front desk services to yet another, and its tech support to still another. The result is an increasingly complex layering of employees within businesses, to the extent that some employees may not have a clear sense of who their employers are. Profit margins grow slimmer as one travels farther down the fissure, increasing the incentive to cut costs. Research suggests that the consequences of fissuring for workers in outside firms may be decreased earnings and lower rates of access to employer-provided benefits and protections such as health, retirement, and sick-leave benefits, compared with similar workers in non-fissured firms.¹⁰

Second, and relatedly, today’s economy is increasingly characterized by alternative work arrangements in which workers take on short-term jobs, often as self-employed workers or independent contractors.¹¹ Much of this change has occurred over the past decade. A recent study finds that the share of workers engaged in alternative work arrangements—including temporary agency workers, on-call workers, and independent contractors or freelancers—grew from 11 percent in 2005 to nearly 16 percent in 2015.¹² Although the share of workers in alternative work arrangements remains a relatively small slice of the overall labor force, it accounts for 94 percent of net employment growth between 2005 and 2015.¹³ Many

of those engaged in alternative work arrangements are also employed in more traditional work arrangements. For example, a recent study from the Federal Reserve Board of Governors finds that 56 percent of those who report alternative work arrangements also report that they are “formally employed.”¹⁴ An additional 20 percent of those in alternative work arrangements self-identify as multiple job holders with both full- and part-time employment, in addition to their alternative work arrangements.¹⁵ In short, work in the 21st century increasingly means having a complicated set of employment relationships.

Third, part-time workers play a key role in the US labor market, yet labor market regulations do little to recognize this fact. About 16 percent of workers are employed part time, a level that has changed relatively little since the early 1980s.¹⁶ Although the overall share of part-time workers has remained steady, the composition of the part-time workforce has shifted in important ways. Younger workers (ages 16 to 24) remain the most likely to work part time, but they account for a shrinking share of the total workforce, dropping from 23 percent of employed individuals in the late 1970s to just over 12 percent more recently. Part-time work has become increasingly prevalent for prime-age workers (ages 25 to 54) with a high school degree or less.¹⁷ Although many workers choose to work part time, the share of involuntary part-time workers has remained persistently elevated in the wake of the Great Recession.¹⁸ These involuntary part-time workers earn nearly one-fifth less per hour than comparable workers with full-time jobs, and they are five times as likely as other workers to live in poverty.¹⁹ Taken together, these data suggest that the part-time working population is an economically vulnerable group.

2. FMLA coverage provides important protections for families balancing work and care responsibilities, but the most economically vulnerable workers are too often excluded from accessing these rights.

FMLA provides a legal right to job-protected leave for millions of workers. As the sole federal family leave policy, its passage marked a turning point. FMLA was a first step in the unfinished work of updating federal social protections to recognize that the majority of American families no longer have a clean division between nonlabor market care work (historically left to women) and labor market work (historically dominated by men).²⁰

Although FMLA needs to be updated to meet the needs of today’s evolving workforce, two positive policy design elements are worth noting. First, FMLA is a gender-neutral policy, allowing both men and women to take unpaid family and medical leave.²¹ Many European countries that offer paid leave are grappling with updating their policies that are not gender-neutral (e.g., those that provide only maternity leave, or policies that offer more leave for mothers) to address gender imbalances that may be creating discrimination against women in the labor force and deepening wage gaps.²² Second, FMLA provides 12 weeks of job-protected leave for a wide range of caregiving needs, including parental leave (for both mothers and fathers), caregiving leave to care for a sick loved one (including an ill child, spouse, or parent), medical leave to take care of one’s own serious illness, as well as 26 weeks of leave to care for an injured or ill service member.²³ This inclusive starting place is well-matched to the diverse caregiving needs of the American workforce, especially in light of the caregiving challenges that come with an aging nation.

Taking leave for family and medical reasons is not uncommon. According to the most recently available data, 13 percent of workers took leave for an FMLA-qualifying reason in 2012. Taking leave is more

common among those eligible for FMLA (16 percent) than among those not eligible (10 percent). As table 1 shows, more than half of all FMLA-covered leaves (59 percent) are taken by workers to care for their own illness (i.e., medical leave). Eighteen percent are taken for reasons related to a new child (i.e., parental leave), and 22 percent are taken for a loved one’s health condition (i.e., caregiving leave). Most of these leaves are relatively short; the average leave duration is about 35 days, and 40 percent of workers who took leave were back at work within 10 days.²⁴

TABLE 1

Share of Leaves Taken for FMLA-Qualifying Reasons, 2012

	All leaves (%)	FMLA-covered leaves (%)	Uncovered (%)
Medical	51.0	59.2	55.9
Parental	22.6	18.4	29.7
Caregiving	19.3	22.4	14.2

Source: Author’s analysis of employee survey data from Jacob Alex Klerman, Kelly Daley, and Alyssa Pozniak, “Family and Medical Leave in 2012: Technical Report” (Cambridge, MA: Abt Associates Inc., 2012), 72.

FMLA provides crucial protections to many workers. Sixteen percent of covered and eligible workers—more than 14 million workers—took FMLA leaves in 2011.²⁵ As I will discuss, a substantial body of research illustrates the important role that the law’s provision of 12 weeks of job-protected leave have played for workers and their loved ones and the minimal impact that the law has had on business outcomes.

The most recently available data from the Bureau of Labor Statistics FMLA survey of employees suggest that about 6.1 percent of employees in 2012 had unmet needed leave in the previous 18 months, up from 2.4 percent in 2000.²⁶ However, these figures underestimate the unmet demand for leave because the FMLA survey includes only those who are employed. As a result, people who leave their jobs because of an inability to take needed leave are not included, nor are those who shift to self-employment when an employer is unwilling or unable to meet the need for temporary time away from work to care for a loved one or a serious illness. People who are involuntarily terminated by their employer as a result of a leave request or leave taken are also excluded because of the survey’s design.

More recent nationally representative data from the Pew Research Center suggests that the unmet demand for leave was substantially higher in 2016 than what the Bureau of Labor Statistics FMLA survey from 2012 suggests. Among those who had been employed at any point in the previous two years, about 16 percent reported a time during that period when they needed to take time off from work for an FMLA-qualifying reason but were unable to do so. This figure rises to 30 percent for those with household incomes under \$30,000. Nineteen percent of women reported an unmet demand for leave. Twenty-six percent of black respondents and 23 percent of Hispanic respondents reported an unmet demand for needed leave, compared with 13 percent of white respondents. Fear of job loss (54 percent) and loss of wage or salary (72 percent) were the most commonly cited reasons that needed leave went unmet.²⁷

Additionally, many workers who take leave for family or medical reasons take less time off than they need. Among those who took leave in 2016, more than half (56 percent) who did so after the birth or adoption of a child reported taking less time off than they needed. Forty percent of those who took leave to

care for a family member with a serious health condition took less time than they needed, and 38 percent of those who took leave to care for their own serious health condition took less time than they needed.²⁸

The numbers on unmet and inadequately met demand for needed leave indicate that the workers most in need of job-protected leave are often those who are least able to access it because of the limits of FMLA's coverage. Forty-four percent of employees are not covered by the law's protections.²⁹ Moreover, most work sites are not covered by FMLA; only 17 percent report that the law applies to them, and an additional 30 percent are unsure.³⁰

There are substantial demographic disparities in worker access to FMLA-protected leave, too. Younger workers (ages 18 to 44) have lower eligibility rates than workers 45 and older (53.4 percent versus 59.1 percent). Although eligibility rates are somewhat higher for women compared with men, 42.6 percent of women of childbearing age are ineligible for FMLA. Just 48.5 percent of employees in families whose incomes were under \$40,000 in 2011 were FMLA-eligible.³¹ Hispanic and nonwhite workers, unmarried workers, workers with children, younger workers, and those with earnings below \$35,000 in 2011 were more likely than their counterparts to have an unmet need for leave.³² Workers in southern states were more likely than workers living elsewhere in the US to have an unmet need for leave.³³

Three elements of the law are particularly important for understanding these coverage exclusions.

First, because FMLA coverage applies only to employers with 50 or more employees within a 75-mile radius of a given work site, workers in small business are categorically excluded. As a result, most work sites are not covered by FMLA.³⁴ Shifting the eligibility threshold to include smaller firms would expand eligibility coverage. Specifically, expanding covered work sites to include those with 30 or more employees within a 75-mile radius would increase FMLA coverage by 4.1 percentage points, raising the share of private-sector workers covered by FMLA from 55.9 percent to 60.0 percent.³⁵ Because women of childbearing age are disproportionately employed by smaller employers, shifting this eligibility threshold would especially benefit these workers, raising coverage for working women ages 18 to 44 to 63.6 percent.³⁶

Second, the law's job tenure and hours requirements exclude many workers. FMLA covers only employees with at least one year of job tenure, which means that those who have recently entered the labor force or switched employers are excluded from coverage. Also, because the law applies only to employees who have worked at least 1,250 hours in the previous year (around 25 hours per week), many part-time workers are excluded from coverage, including those who work a full-time schedule via multiple part-time jobs. Lowering the hours-worked threshold from 1,250 to 750 annual hours per year with a given employer would raise the share of workers covered by FMLA by 3.2 percentage points, from 55.9 percent to 59.1 percent.³⁷

The combined effect of lowering the hours-worked threshold and expanding covered work sites to include those with 30 or more workers would raise the share of private-sector employees covered by FMLA's protections by 7.5 percentage points, from 55.9 percent to 63.4 percent.³⁸ Women especially would benefit from this combined coverage expansion because they are more likely than men to be employed in small firms and/or work part time. The combined expansion would increase FMLA coverage for working women ages 18 to 44 by 9.4 percentage points, from 55.8 percent to 65.2 percent.³⁹

Third, FMLA's definition of family excludes millions from providing care to their closest kin. Under FMLA, "family" is defined as a new child (from birth, adoption, or foster-care placement), a child younger than 18 (or a child older than 18 with a physical or mental disability as defined by the Americans with Disabilities Act), or a parent. FMLA offers no protection for working grandparents providing care to grandchildren or for working adult children providing care to grandparents. Yet millions of Americans live in multigenerational households. For example, of the 2.4 million grandparents who lived with their grandchildren in 2018, 37.9 percent were the primary caregiver (i.e., the child's parent was not present in the household).⁴⁰ Over half (55.4 percent) of these grandparent caregivers were in the labor force, but they were not eligible for FMLA leave to care for their grandchildren. Workers who need leave to care for an ill grandparent are also not eligible for FMLA leave, nor are workers who need leave to provide care for an ailing sibling.

Some states—including California, Connecticut, Hawaii, Maine, Minnesota, New Jersey, New York, Oregon, Rhode Island, Vermont, Washington, and Wisconsin—and the District of Columbia have recognized the limits to the federal FMLA and expanded access to job-protected leave under state law.⁴¹

3. A growing body of evidence shows that job-protected family and medical leave has a range of positive impacts for families and workers, with minimal disruption to business.

The FMLA's job-protection provision requires that employers hold the jobs of eligible employees on family or medical leave until their return after 12 or fewer weeks of leave or offer these employees an equivalent job when they return to work. Early studies of FMLA demonstrate that the introduction of job-protected leave had an important impact on leave-taking, with the vast majority of the research focused on leave-taking among new parents, especially new mothers. FMLA increased leave-taking by 23 percent among mothers of children younger than 1.⁴² The FMLA and state-level expansions in FMLA coverage increased maternal leave-taking by 13 percent during the birth month, by 16 percent in the month after birth, and by 20 percent in the second month after birth.⁴³ Other research focused only on the effects of state-level, job-protected leave policies finds similar increases in maternal leave-taking, though the results are somewhat smaller and effect sizes are less consistent.⁴⁴ In short, providing job protection is an important first step in facilitating the ability of workers, particularly new mothers, to take needed leave.

The section that follows reviews the evidence on how job-protected family and medical leave affects children, workers, and businesses.

Children's outcomes

The impact of parental leave on children's health outcomes is one of the most powerful arguments for the expansion of leave protections; a substantial body of empirical evidence shows a range of positive effects. The channels through which parental leave may affect children's health outcomes are threefold. First, leave guarantees may reduce maternal stress, which myriad studies show adversely affects child well-being at birth and in later life.⁴⁵ Second, leave can increase the amount of time a child spends with the mother after birth. As a result, mothers may be more able to initiate and continue breastfeeding, attend well-baby doctor visits for preventive care, tend to a sick baby, and seek medical care promptly for both herself and her child when needed.⁴⁶

Although much of the literature on the impacts of parental leave uses data from outside the US (because of the absence of policies in the US), the growing body of empirical evidence from the US demonstrates important effects of job-protected parental leave guarantees on children's outcomes. After the implementation of FMLA, mothers' access to job-protected unpaid leave to care for a new baby resulted in a 10 percent reduction in infant mortality.⁴⁷

Workers' outcomes

In general, unpaid leave policies enable workers who can afford to take a family or medical leave to return to employment after a leave. Studies of the impact of FMLA on mothers' earnings and employment show that job protection increased the probability that eligible mothers return to their pre-childbirth jobs by about 30 percent.⁴⁸ However, FMLA appeared to have no impact on women's employment or wages in the years after the policy went into effect.⁴⁹ Other research studying an expansion in the duration of job-protected maternity leave in Canada finds a 22 percent increase in the likelihood that women return to their pre-birth employers.⁵⁰

One recent study suggests that job protection during maternity leave may ultimately have a greater impact on leave-taking than wage replacement. Utilizing data from Great Britain, the research finds that while access to paid maternity leave increases the probability that women return to work in the short run, it has no impact on long-run employment outcomes. Making job protection available to new mothers results in large increases in maternal employment rates and job tenure five years after childbirth.⁵¹ These findings suggest that different elements of policy design may be more or less important depending on the nature and time horizon of the outcomes.

Business outcomes

Evidence on the impact of FMLA on businesses suggests that workers' access to job-protected leave has few negative effects for employers. The majority of work sites in the most recent nationally representative survey report that FMLA-covered family and medical leaves are "very easy" or "somewhat easy" to deal with, regardless of whether those leaves are planned as long or short term and regardless of whether those leaves were episodic (one-time) or intermittent. Unsurprisingly, work sites are more likely to report that dealing with any form of unplanned leave is more difficult than dealing with a planned leave, but the majority still report that even unplanned leaves are either "somewhat difficult" to "somewhat easy" to handle (compared with the share saying that unplanned leaves were "very difficult" or "very easy").⁵² More than half (53 percent) of employees at covered work sites report that when a coworker took leave, they worked no more hours than usual, worked their usual shifts/schedules, and saw no change in their job responsibilities.⁵³

In sum, the evidence on the impacts of FMLA suggest that job-protected family and medical leave is strongly correlated with various positive outcomes for children and for workers balancing both care and labor market responsibilities. FMLA appears to have negligible impacts on covered businesses.

4. Effective family and medical leave policies include not only job protection, but also wage replacement and effective resources for implementation.

Although job protection is a key component of family and medical leave policy, it is insufficient on its own for too many workers. Several other key policy design elements are crucial to consider as policymakers look toward updating the nation's labor market policies to better match the needs of working families and in turn to better support broad-based economic growth.

Most importantly, workers need broad access to paid family and medical leave to replace wages lost while on leave. Wage replacement is especially important for low-wage workers and other economically vulnerable populations, who may not be able to afford a needed leave in the absence of income support. Indeed, among employees not covered by FMLA and unable to take a needed leave, 16.8 percent respond that a fear of job loss was their main reason for not taking needed leave, while 46.6 percent report that they could not afford to take unpaid leave.⁵⁴

Wage replacement can also help encourage leave take-up among married men. The gender wage gap means that men continue to outearn their female partners in many families. Thus, decisions based on basic household budget math mean that women take leave rather than men, because the loss of women's wages "costs" the household less.⁵⁵ Well-designed wage replacement during leave can make leave-taking a wiser economic decision for men, which in turn may help contribute to a virtuous circle of improved gender balance between care-work at home and paid work outside the home.

In addition to wage replacement, well-designed policies should include implementation strategies with a particular focus on public awareness.

Wage replacement

Although FMLA provides job-protected leave for family and medical reasons to eligible workers, the US currently has no federal policy providing wage replacement for those on leave. As a result, even some FMLA-covered workers cannot take needed leave. Nearly half (45 percent) of those who were FMLA-eligible but did not take needed leave report lack of pay as the reason.⁵⁶ More than half (62 percent) of those who take leave with partial or no pay report that making ends meet during their time away from work was difficult, including nearly a third (30 percent) who said it was very difficult.⁵⁷ Sixty-nine percent of workers who took less time off than they needed or wanted report that they did so because they could not afford to lose more wages or salary.⁵⁸ Low-income workers are especially likely to report financial consequences resulting from leave-taking. Among parental leave-takers in households earning under \$30,000, 57 percent took on debt, 46 percent put off paying bills, and 48 percent enrolled in public assistance.⁵⁹

New data from the recently released Bureau of Labor Statistics' National Compensation Survey provide key insight into access to paid family leave and highlights important disparities across demographic groups.⁶⁰ Just 19 percent of the civilian workforce has access to paid family and medical leave (table 2). A mere 6 percent of workers in the bottom 10 percent of earners and 8 percent of part-time workers have access to paid leave. Although the share of workers with access to paid leave increases as the size of firms grows, even workers in the largest firms have limited access. Just over a quarter (28 percent) of all workers in firms with 500 or more employees have access to paid family and medical leave.⁶¹

TABLE 2

Share of Workers with Access to Any Paid Family and Medical Leave, 2019

	Share
All civilian workers	19
By earnings	
Lowest 10 percent	6
Highest 10 percent	34
By work status	
Full-time	22
Part-time	8
By firm size	
Very small (1–49 workers)	14
Small (50–99 workers)	16
Medium (100–499 workers)	20
Large (500 or more workers)	28

Source: Author’s analysis of Patrick Pizzella and William W. Beach, “National Compensation Survey: Employee Benefits in the United States, March 2019,” bulletin 2791 (Washington, DC: US Department of Labor, Bureau of Labor Statistics, 2019).

A growing number of states have introduced paid family and medical leave policies that allow workers to earn accrued benefits for parental, caregiving, and medical leave. The introduction of these policies has allowed researchers to begin investigating the impacts of wage replacement across various outcomes, including children’s and maternal health, labor market outcomes for leave-takers, business outcomes for employers in states with paid leave policies, and broader implications for the state of the economy as a whole.

HEALTH OUTCOMES RELATED TO PAID LEAVE

Paid parental leave is related to both immediate and enduring positive impacts on children’s health. The introduction of paid parental leave in California resulted in a significant decrease in hospital admissions for head trauma for infants and young toddlers, a leading indicator of child maltreatment. Paid parental leave may have reduced parental stress, in turn reducing child abuse.⁶² Paid parental leave in California also correlated with improvements in health outcomes among kindergartners, including lower rates of diagnoses of attention-deficit/hyperactivity disorder, lower rates of obesity, lower rates of ear infections, and fewer hearing problems.⁶³ These longer-term benefits of paid parental leave were most apparent among children with lower socioeconomic status. Paid parental leave in California also increased both the rate and duration of breastfeeding, which research has documented has myriad short- and long-term health benefits for children.⁶⁴

Although most research investigates the impact of paid parental leave on children via mothers’ leave-taking, fathers’ leave-taking may also affect child health outcomes in important ways. The quality and quantity of interactions that a father has with his children in early life can contribute to their cognitive development over a lifetime, independent of mothers’ interactions, and longer paternity leaves predict higher levels of paternal involvement in child caretaking activities, even many months after the leave ends.⁶⁵ Paid parental leave in California raised the probability that a working father would take leave in the first year of a child’s life by 0.9 percentage points, a large increase given the very low rates of paternity leave-

taking.⁶⁶ (Although fathers are more likely to take leave when it is paid, mothers are still substantially more likely to take leave than fathers.)

Paid parental leave may also affect mothers' health. First, the link between paid maternity leave and breastfeeding may not only have positive impacts for children, but also for mothers. Breastfeeding is associated with both short- and long-term health benefits for new mothers. In the short term, evidence links breastfeeding with reduced risk of postpartum depression and a decreased risk of re-hospitalization among new mothers.⁶⁷ In the long term, breastfeeding for 12 or more months is associated with a 32 percent reduction in the risk of getting type 2 diabetes, a 26 percent reduction in the risk of getting breast cancer, and a 37 percent reduction in the risk of getting ovarian cancer.⁶⁸ In addition, longer maternity leaves are associated with lower rates of depression and higher overall levels of maternal health. Paternity leave also may be crucial to maternal health, as mothers with spouses who did not take parental leave have higher rates of maternal depression than their peers with spouses who took leave, controlling for a host of other factors.⁶⁹

EMPLOYMENT AND EARNINGS OUTCOMES RELATED TO PAID LEAVE

For workers, paid family and medical leave has had important labor market effects, especially for new mothers. Public paid parental leave policies in New Jersey and California are associated with an increase in the likelihood that women are employed or actively looking for work around the time of a birth, which has important implications for long-term employment outcomes given a rich literature on the importance of sustained labor-force participation rates on lifetime earnings and employment.⁷⁰

The labor market outcomes for paid parental leave extend beyond the first year of a child's life. In California, new mothers were estimated to be 18 percentage points more likely to be working a year after the birth, with both the number of work hours and weeks worked predicted to rise by significant amounts in the following year.⁷¹ Mothers' work hours during the second year of their children's lives increased by 18 percent, and their weeks at work increased by 11 percent, relative to their peers before the implementation of the state's paid parental leave policy.⁷² These increased work hours and weeks at work translate into higher earnings for mothers covered by paid parental leave policies.

The immediate benefits of paid parental leave policies appear to accrue most directly to workers at the bottom of the economic distribution, who are least likely to have access to paid leave in the absence of a public earned benefit. The increase in labor force attachment in the months after a birth is driven nearly entirely by less-educated women, who are less likely to have access to or to take leave in the absence of a state policy.⁷³ More than 20 percent of workers in low-quality jobs in California report that taking parental leave improved their ability to find child care, which may explain their increase in labor force attachment relative to peers without access to paid parental leave.⁷⁴ However, the longer-term benefits of paid leave appear to be stronger for higher-earning parents. High-earning mothers and fathers are more likely than lower earners to be continuously employed for five to six years after they took a paid leave using California's earned benefit policy.⁷⁵ Higher weekly benefit amounts boost labor force participation for mothers one to two years after leave, although because of research design, this finding is limited to high-wage women whose earnings are near the benefit threshold.⁷⁶

Paid leave policies also appear to substantially boost new fathers' likelihood of taking parental leave. In two-earner households, California's paid leave policy increased the probability of men taking father-only

leave (when a father cares for a new baby on his own) by 50 percent and boosted the likelihood of joint leave (when both the father and his partner take leave together to care for a new baby) by 28 percent.⁷⁷ Fathers' leave-taking may have important longer-term impacts for mothers' long-term employment and earnings outcomes, as men who take parental leave are more likely to share responsibilities with their wives or partners, which in turn frees up more time for women to engage in paid work.⁷⁸ As a result, paternity leave-taking may be an important element for closing the persistent gender wage gap and reducing the well-established motherhood wage penalty.⁷⁹

Although evidence for the labor market effects of paid medical leave (time away from work to care for one's own serious illness) and caregiving leave (time away from work to care for a seriously ill loved one) is less comprehensive than that on parental leave, the growing body of work in this area suggests similar positive associations between paid leave, employment, and earnings.

For example, early evidence from California suggests that paid caregiving leave increased the short-run labor force participation of caregivers by 8 percent in the first two years after implementation and by 14 percent in the first seven years of the program.⁸⁰ In the first two years after implementation, the majority of the increase in caregivers' labor force participation was among those from high-income households. In the longer term, however, labor force participation for low-income caregivers overtook that of higher-income households, indicating the importance of paid caregiving leave in promoting labor force attachment among lower-income workers.

Research on the impact of paid medical leave on employment and earnings outcomes is very limited despite the fact that the vast majority of claims made to the existing state paid family and medical leave programs are for time away from work to care for one's own health. The paucity of research in this area may be because medical leave covers the need to take time away from work for a host of reasons (e.g., intermittent leave for recurring cancer treatments or a concentrated period of leave for a hip replacement surgery). Pregnancy-related leave, for leave both before and after a birth, is also covered under the medical leave component of these programs. The wide variety of illnesses requiring leave may make it difficult to effectively isolate the role of paid leave in shaping labor market outcomes.

BUSINESS OUTCOMES RELATED TO PAID LEAVE

The early survey-based research on the firm-level effects of paid family and medical leave from the states suggests that businesses generally view the policies favorably.⁸¹ The existing state programs are based on a social insurance design, funded by a small payroll tax (generally between 0.5 percent and 1.5 percent, typically paid by workers rather than employers). In return, workers taking leave have a share of their wages replaced by the state programs. Across the four states with existing paid family and medical leave policies (California, New Jersey, New York, and Rhode Island), employers report significant benefits and minimal costs.

Survey-based research on California employers finds that the majority (86.9 percent) report no additional costs because of the state's paid family and medical leave policy.⁸² Research on Rhode Island employers similarly finds limited effects of the state paid leave policy on businesses, with employers noting few significant effects on business productivity and related metrics.⁸³ Sixty-three percent of small to medium-sized employers in New Jersey and New York both reported that they supported or strongly supported paid family and medical leave programs.⁸⁴

More recent studies using administrative data from California bolster the results from the earlier wave of survey research in the state. Analysis finds no evidence of higher turnover or higher total cost of compensation for employers over the decade-long period that the state policy has been in place. In fact, the opposite is true: The average California firm has a lower per-worker wage bill and a lower turnover rate now than it did before the paid leave policy was introduced.⁸⁵ Other research using both administrative and survey data from the states illustrates the efficacy of paid family and medical leave as a worker retention policy.⁸⁶ For instance, in a study using California's administrative data, the authors find that men and women who take leave and remain employed four quarters after the claim are more likely to have returned to their pre-claim firm than to have moved to a new firm, regardless of the duration of their leave.⁸⁷

Turnover is expensive for businesses. If paid leave plays a role in reducing turnover, then the small short-term cost of covering an employee's leave may result in substantial medium- and long-term rewards. Hiring and training a new employee are costly for managers, who spend less time on other productive activities as a result. And new workers require time to get fully up to speed in their new positions. Research on the cost of turnover suggests that replacing an employee costs about one-third of that worker's salary, based on a combination of the cost of recruitment, selection, and training.⁸⁸ Early research from the states with paid leave programs suggests that paid leave can reduce worker turnover, which, in turn, means lower costs and higher productivity for businesses.

BROADER ECONOMIC OUTCOMES RELATED TO PAID LEAVE

Labor force participation is a key ingredient for healthy economic growth. Decades of economic research demonstrate that per capita incomes increase as labor force participation increases, and until recently, the increase in women's labor force participation has been the main engine for this growth.⁸⁹ After several decades of increases in women's labor force participation, especially among mothers of young children, labor force participation rates for women ages 30 to 40 have decreased somewhat.⁹⁰ Research suggests that at least some of this plateau in women's labor force participation rates is due to the failure of the United States to implement work-life policies—not only paid leave, but also child care, predictable schedules, and other policies designed to help families better balance the demands of life at home and at work.⁹¹ Although early education and child care stand out as policy arenas where improvements would have a dramatic impact on US women's labor supply, paid family and medical leave also has an important role to play.⁹² Evidence from state programs suggests that paid leave positively affects women's labor supply, especially that of new mothers.⁹³

A second channel through which paid family and medical leave may shape broader economic outcomes is through its implications for the nation's fiscal picture. Caregiving comes with costs that may be shifted onto other public programs. The costs of delayed medical intervention, for example, may result in more expensive health care costs in the long term, with implications for public programs such as Medicare and Medicaid. Early retirements by caregivers unable to balance work and family may result in stress to the Social Security retirement system. Labor force exits because of disability may result in elevated Social Security Disability Insurance applications and elevate costs to taxpayers, with long-term consequences for both SSDI costs and for labor force participation among people on the margins of the labor market.

Early research suggests important interaction effects between paid family and medical leave and other public programs. For instance, one study finds that paid family leave reduces applications to other social

safety net programs, with women returning to work after a paid maternity leave having a 39 percent lower probability of receiving public assistance and a 40 percent lower chance of receiving Supplemental Nutrition Assistance Program benefits (commonly known as food stamps) in the year after a child's birth, compared with those who took no leave at all.⁹⁴

Other research finds that California's paid leave policy led to an 11 percent reduction in the share of older people residing in nursing homes.⁹⁵ Although the study does not allow for a test of a specific mechanism connecting paid leave to nursing home use, the authors hypothesize that paid caregiving leave allows family members to provide timely care to aging relatives, which may in turn reduce the need for long-term institutionalization. Specifically, access to temporary paid leave for caregiving may allow for timely, engaged responses to assist with rehabilitation from acute incidents (postsurgical rehabilitation and early interventions for dementia and Alzheimer's disease), which in turn may eliminate or delay the need for long-term institutional care.

The results of this research suggest that paid caregiving leave may not only provide valuable resources for families but also improve the broader fiscal picture—and thus the economy as a whole. Nursing home care accounts for the largest share of long-term care costs in the US, which strains both family budgets and public finances. Medicaid—a joint state-federal program financed largely by the states—is the primary payer for 62 percent of nursing home residents, some of whom deplete their assets to become eligible for the program. Medicare, which is fully federally financed and mainly covers the cost of hospitalization after an acute incident, covers about 15 percent of nursing home utilization overall. In addition to the serious strain that long-term care places on state and federal budgets, it is not especially popular. The majority of seniors prefer to receive family- or community-based care and to remain at home (or in a family member's home).⁹⁶

IMPLEMENTATION CONSIDERATIONS

Nearly one-fifth (17 percent) of workers covered by FMLA reported that they did not take needed leave because of a fear that they might lose their jobs, which runs directly counter to the protections provided by the legislation.⁹⁷ Even an impeccably designed program will do little good if eligible workers are not aware of the available benefits or if the application process is too cumbersome for people to navigate. In California, less than half of those who experienced a qualifying event for leave-taking were unaware of the state's paid family and medical leave options. Awareness is least common among those who need it most. Those who earn less than \$15 per hour are nearly 30 percent less likely than those who earn more than \$15 per hour to know about the state's paid leave program. Immigrants, Latinx workers, those without access to paid sick or vacation days, less-educated workers, and those who earn less than \$80,000 annually are all less likely than their counterparts to be aware of California's paid leave options.⁹⁸ Research on program knowledge in New Jersey suggests similar gaps in awareness.⁹⁹

These public awareness gaps are most likely due to significant underinvestments in effective public outreach and education, especially to the communities of workers who are least likely to have access to other forms of paid leave. Shortly after California's original paid leave legislation went into effect, a new administration took over the state government and slashed funds for administration and outreach. California now has a built-in funding stream for public outreach (\$6.5 million for fiscal 2015–17), yet awareness remains low.¹⁰⁰ Some other programs lack advertising and public outreach funds, so program promotion falls to employers. Employers' appetite and ability to promote public paid leave vary

dramatically. Studies note that some employers offer comprehensive explanations of their state's paid leave benefit programs, while others simply abide by minimum legislative requirements and post informational posters in their human resources offices or lunchrooms.¹⁰¹

Without further efforts to publicize paid leave options, including state paid family and medical leave benefits, these programs are unlikely to reach all eligible employees. In response, newly launched state family leave programs (e.g., in Washington and Massachusetts) are experimenting with new forms of outreach and dedicated public funds for promoting awareness, especially in high-need communities.

5. What can public policy do?

Consider the following hypothetical: Anne is a 59-year-old woman who works 40 hours a week through a combination of two part-time jobs. Her family depends on her salary to make ends meet. She receives a call from an emergency room doctor, who informs her that her mother broke her hip in a fall at her home and is showing signs of dementia. Anne quickly realizes that her mother will need substantial care, both short-term intensive care and potentially longer-term care. What does Anne need to be able to provide this needed care to her loved one? She needs time off from work, income support during that time, and reassurance that she can return to her jobs once her mother is in a stable, sustainable living situation. Anne's story illustrates that policies addressing family caregiving need to consider multiple factors, all of which may matter a great deal in determining whether Americans can balance their work and care responsibilities.

Policymakers should consider the following types of questions as they work to modernize leave policies to better meet the needs of workers like Anne:

- **Job protection.** Is leave job-protected (i.e., do leave-takers have a right to return to an equivalent job at equivalent pay)?
- **Job tenure.** What should employee tenure and/or labor force attachment look like to qualify for leave?
- **Firm size.** What is the appropriate work site size for inclusion in coverage?
- **Family definition.** What is the appropriate definition of "family" that will allow Americans to provide care to their kin in times of need?
- **Reasons for leave.** What are the appropriate reasons for allowable leave? Should eligible reasons expand beyond birth/arrival of a child, care for a seriously ill family member, or care for one's own serious illness to other important caregiving-related reasons for leave, such as domestic-violence-related reasons beyond health (e.g., time off to file paperwork in court for a restraining order)?
- **Duration.** How many weeks of leave is a worker allowed, and can the leave be intermittent?
- **Wage replacement.** Is the leave paid, and if so, at what wage replacement rate? Is the replacement rate flat, or is it progressive (i.e., do workers at lower earnings levels receive higher rates of wages replaced)? Is there a maximum cap for benefits? Is there a benefits floor?

States have led by example, showing that expanded FMLA policies in combination with paid leave policies can work. Eight states (California, Connecticut, Massachusetts, New Jersey, New York, Oregon, Rhode Island, and Washington) and the District of Columbia have enacted paid family and medical leave laws that provide workers with the right to accrue replacement wages for parental, caregiving, and medical leave. All these policies follow the model originally set out by California in the implementation of its first-in-

the-nation public paid family and medical leave program in 2004, using a social insurance design that allows workers to earn benefits based on accrued total wages. As a result, the benefits are fully portable, as they are not tied to any one employer. The state policies all cover parental, medical, and caregiving leave. Many provide new job protections along with wage replacement or are layered on top of existing state laws that provide job protections beyond those offered by FMLA.¹⁰² Taken together, these state programs show that public paid family and medical leave policies that use a social insurance model combined with job protection can effectively support workers and their families with minimal disruption to business and at a manageable cost to government, particularly in light of the potential longer-term economic benefits.

A federal program with uniform eligibility requirements and benefit schedules would eliminate the existing unevenness between the states, and it would create a level playing field for state finances, for employers, and for workers. Where one lives and works in the US should not determine the availability of essential protections against economic shocks. States should not have to compete against one another to lure employers on the basis of the presence or absence of public benefits or regulations.¹⁰³ Moreover, a federally administered system would be substantially more efficient to administer than 50-plus separate state and local programs. Unified IT systems, data collection, and staffing would create fundamental efficiencies that would accrue to beneficiaries, employers (especially multistate employers, who currently must comply with a dizzying array of varying state regulations and policies), and the public in the form of administrative cost savings.¹⁰⁴

The Family and Medical Insurance Leave Act (FAMILY Act) is an example of a policy that could move the US in the right direction in supporting the needs of working families without placing undue burdens on employers.¹⁰⁵ The FAMILY Act creates a federal paid-leave program that provides workers with up to 12 weeks of partial income when they take time away from work for parental, caregiving, or medical leave and covers employees in all companies (regardless of size), as well as part-time workers and those in alternative work arrangements. However, without updating the job protection provisions provided via FMLA, many workers may not be able to take advantage of this much-needed federal program. This is a solvable problem, as a growing body of evidence from the states has demonstrated. Policies that combine well-designed earned wage replacement for workers who need family and medical leave with job protection provisions for leave-takers should be available regardless of the state in which one lives and works.

Notes

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- ¹ “Table A-1. Employment Status of the Civilian Population by Sex and Age,” US Bureau of Labor Statistics, last modified January 10, 2020, <https://www.bls.gov/news.release/empsit.t01.htm>.
- ² “Table B-5. Employment of Women on Nonfarm Payrolls by Industry Sector, Seasonally Adjusted,” US Bureau of Labor Statistics, last modified January 10, 2020, <https://www.bls.gov/news.release/empsit.t21.htm>.
- ³ Sarah Jane Glynn, *Breadwinning Mothers Continue to Be the U.S. Norm* (Washington, DC: Center for American Progress, 2019).
- ⁴ Gretchen Livingston, “About One-Third of U.S. Children Are Living with an Unmarried Parent,” *Pew Research Center* (blog), April 27, 2018, <https://www.pewresearch.org/fact-tank/2018/04/27/about-one-third-of-u-s-children-are-living-with-an-unmarried-parent/>.
- ⁵ Heather Boushey and Kavya Vaghul, “[Women Have Made the Difference for Family Economic Security](#)” (Washington, DC: Washington Center for Equitable Growth, 2016).
- ⁶ Eileen Appelbaum, Heather Boushey, and John Schmitt, “The Economic Importance of Women’s Rising Hours of Work” (Washington, DC: Center for American Progress and the Center for Economic and Policy Research, 2014).
- ⁷ National Academies of Sciences, Engineering, and Medicine, *Families Caring for an Aging America* (Washington, DC: National Academies Press, 2016).
- ⁸ Mitra Toossi and Elka Torpey, “Older Workers: Labor Force Trends and Career Options,” *Career Outlook* (US Bureau of Labor Statistics blog), May 2017, <https://www.bls.gov/careeroutlook/2017/article/older-workers.htm>.
- ⁹ David Weil, *The Fissured Workplace* (Cambridge, MA: Harvard University Press, 2017).
- ¹⁰ Arindrajit Dube and Ethan Kaplan, “Does Outsourcing Reduce Wages in Low-Wage Occupations? Evidence from Janitors and Guards,” *ILR Review* 63, no. 2 (2010): 287–306.
- ¹¹ Contract employees are often referred to as “1099” workers because of the tax form these individuals must file with the Internal Revenue Service.
- ¹² Lawrence F. Katz and Alan B. Krueger, “[The Rise and Nature of Alternative Work Arrangements in the United States, 1995–2015](#),” Working paper 603 (Princeton, NJ: Princeton University, Department of Economics, Industrial Relations Section, September 2016).
- ¹³ Katz and Krueger, “The Rise and Nature of Alternative Work Arrangements.”
- ¹⁴ Barbara Robles and Marysol McGee, “Exploring Online and Offline Informal Work: Findings from the Enterprising and Informal Work Activities (EIWA) Survey,” Finance and Economics Discussion Series 2016-089 (Washington, DC: Board of Governors of the Federal Reserve System, 2016), <https://doi.org/10.17016/FEDS.2016.089>. Nine percent of those who identified as “formally employed” reported being self-employed or small business owners.
- ¹⁵ Robles and McGee, “Exploring Online and Offline Informal Work.”
- ¹⁶ Authors’ calculations from US Bureau of Labor Statistics Current Population Survey data.
- ¹⁷ Rob Valletta and Leila Bengali, “What’s Behind the Increase in Part-Time Work?,” *Economic Letter* 2013-24 (San Francisco: Federal Reserve Bank of San Francisco, 2013), <https://www.frbsf.org/economic-research/files/el2013-24.pdf>.
- ¹⁸ Involuntary part-time workers are defined by the Bureau of Labor Statistics as “persons who indicate that they would like to work full-time but were working part time (1–34 hours) because of an economic reason, such as their hours were cut back or they were unable to find full-time jobs.” See “Labor Force Statistics from the Current Population Survey,” US Bureau of Labor Statistics, last modified February 3, 2020, <https://www.bls.gov/cps/lfcharacteristics.htm#pter>; Robert Valletta, Leila Bengali, and Katherine van der List, “[Cyclical and Market Determinants of Involuntary Part-Time Employment](#),” Working paper 2015-19 (San Francisco: Federal Reserve Bank of San Francisco, 2018).
- ¹⁹ Rebecca Glauber, “[Involuntary Part-Time Employment: A Slow and Uneven Recovery](#),” National Issue Brief 116 (Durham: University of New Hampshire, Carsey School of Public Policy, 2017).
- ²⁰ Claudia Goldin, “Female Labor Force Participation: The Origin of Black and White Differences, 1870–1880,” *Journal of Economic History* 37, no. 1 (1977): 87–108.

²¹ Alison Earle, Z. Mokomane, and Jody Heymann, “International Perspectives on Work-Family Policies: Lessons from the World’s Most Competitive Economies,” *Future Child* 21, no. 2 (Fall 2011): 191–210. Many OECD countries, however, are changing their policies to encourage more men to take leave, especially paternity leave.

²² See Iceland and Denmark, for example: Jillian Weinberger, “Denmark Gives New Fathers Paid Leave. Why Do So Few Take It?,” *Vox*, December 14, 2018,

<https://www.vox.com/podcasts/2018/12/14/18136315/denmark-new-fathers-paid-leave-paternity>; Larissa Kyzer, “Iceland Lags Behind Nordics on Parental Leave,” *Iceland Review* (blog), February 15, 2019, <https://www.icelandreview.com/news/iceland-lags-behind-nordics-on-parental-leave/>.

²³ FMLA also provides 12 weeks of leave to deal with exigencies arising from a family member’s military deployment. Note that medical leave is distinct from sick leave, which is designed for less severe illnesses (such as a cold or flu) or a one-time doctor’s appointment. The United States currently has no federal sick-leave protections, though a growing number of states and local governments have passed legislation providing workers the right to earn sick leave from their employers. For a list of all current paid sick-leave laws as of February 2020, see National Partnership for Women and Families, “Current Paid Sick Days Laws,” May 2019, <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/current-paid-sick-days-laws.pdf>.

²⁴ The average leave duration is the author’s calculation using data on page 73 of Jacob Alex Klerman, Kelly Daley, and Alyssa Pozniak, “[Family and Medical Leave in 2012: Technical Report](#)” (Cambridge, MA: Abt Associates Inc., 2012).

²⁵ Klerman, Daley, and Pozniak, “Family and Medical Leave in 2012: Technical Report.”

²⁶ Klerman, Daley, and Pozniak, “Family and Medical Leave in 2012: Technical Report,” 117.

²⁷ Juliana Menasce Horowitz, Kim Parker, Nikki Graf, and Gretchen Livingston, “Americans Widely Support Paid Family and Medical Leave, but Differ over Specific Policies” (Washington, DC: Pew Research Center, 2017), 54.

²⁸ Horowitz et al., “Americans Widely Support Paid Family and Medical Leave.”

²⁹ Helene Jorgensen and Eileen Appelbaum, “[Expanding Federal Family and Medical Leave Coverage](#)” (Washington, DC: Center for Economic and Policy Research, 2014).

³⁰ Klerman, Daley, and Pozniak, “Family and Medical Leave in 2012: Technical Report.” The Worksite Survey is a nationally representative survey of work sites, and a given firm may have more than one work site. The Employee Survey is nationally representative and is conducted through random-digit dialing to both cell phones and land lines. Respondents include salaried and hourly workers, “piece workers,” and people with “other” employment arrangements. Note that a new evaluation of FMLA coverage and take-up, based on surveys in the field from 2016 to 2019, is due to be published in 2020.

³¹ All statistics in this paragraph are from Helene Jorgensen and Eileen Appelbaum, “Expanding Federal Family and Medical Leave Coverage.”

³² Klerman, Daley, and Pozniak, “Family and Medical Leave in 2012: Technical Report.”

³³ Klerman, Daley, and Pozniak, “Family and Medical Leave in 2012: Technical Report.”

³⁴ Jacob Alex Klerman, Kelly Daley, and Alyssa Pozniak, “Family and Medical Leave in 2012: Executive Summary” (Cambridge, MA: Abt Associates, 2013). The estimates cited are from the best publicly available data on which work sites are covered by FMLA, but these data rely on reports by employers. For details on the difficulties of assessing work site FMLA eligibility and coverage, see footnote 10 in Klerman, Daley, and Pozniak, “Family and Medical Leave in 2012: Executive Summary.”

³⁵ Helene Jorgensen and Eileen Appelbaum, “Expanding Federal Family and Medical Leave Coverage.”

³⁶ Helene Jorgensen and Eileen Appelbaum, “Expanding Federal Family and Medical Leave Coverage.”

³⁷ Helene Jorgensen and Eileen Appelbaum, “Expanding Federal Family and Medical Leave Coverage.”

³⁸ Helene Jorgensen and Eileen Appelbaum, “Expanding Federal Family and Medical Leave Coverage.”

³⁹ Helene Jorgensen and Eileen Appelbaum, “Expanding Federal Family and Medical Leave Coverage.”

⁴⁰ American Community Survey, “2018 ASC 1-Year Estimates Subject Tables, Table S10002: Grandparents,” accessed February 5, 2020,” <https://data.census.gov/cedsci/table?q=S1002&tid=ACST1Y2018.S1002>.

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Society for Human Resource Management, July 6, 2018, <https://www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/consider-state-laws-when-measuring-fmla-eligibility.aspx>.

⁴² Jane Waldfogel, "The Impact of the Family and Medical Leave Act," *Journal of Policy Analysis and Management* 18 (1999): 281–303.

⁴³ Wen-Jui Han, Christopher Ruhm, and Jane Waldfogel, "Parental Leave Policies and Parents' Employment and Leave Taking," *Journal of Policy Analysis and Management* 28 (2009): 29–54.

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⁴⁵ Janet Currie and Maya Rossin-Slater, "Weathering the Storm: Hurricanes and Birth Outcomes," *Journal of Health Economics* 32, no. 3 (2013): 487–503; Anna Aizer, Laura Stroud, and Stephen Buka, "[Maternal Stress and Child Outcomes: Evidence from Siblings](#)," *Journal of Human Resources* 51, no. 3 (2016): 523–55; Petra Persson and Maya Rossin-Slater, "[Family Ruptures, Stress, and the Mental Health of the Next Generation](#)," *American Economic Review* 108, no. 4–5 (April 2018): 1214–52.

⁴⁶ Maya Rossin-Slater, "[Maternity and Family Leave Policy](#)," in *Oxford Handbook on the Economics of Women*, ed. Susan L. Averett, Laura M. Argys, and Saul D. Hoffman (New York: Oxford University Press, 2018).

⁴⁷ Maya Rossin-Slater, "[The Effects of Maternity Leave on Children's Birth and Infant Health Outcomes in the United States](#)," *Journal of Health Economics* 30, no. 2 (March 2011): 221–39.

⁴⁸ Charles L. Baum, "[The Effects of Maternity Leave Legislation on Mothers' Labor Supply after Childbirth](#)," *Southern Economic Journal* 69, no. 4 (2003): 772–99.

⁴⁹ Waldfogel, "The Impact of the Family and Medical Leave Act"; and Han and Waldfogel, "Parental Leave: The Impact of Recent Legislation on Parents' Leave Taking." However, some studies find evidence that FMLA led to an increase in part-time work by women. See Whitney Schott, "[Going Back Part-Time: Family Leave Legislation and Women's Return to Work](#)," *Population Research and Policy Review* 31, no. 1 (February 2012): 1–30.

⁵⁰ Michael Baker and Kevin Milligan, "Maternal Employment, Breastfeeding, and Health: Evidence from Maternity Leave Mandates," *Journal of Health Economics* 27 (2008): 871–87.

⁵¹ Jenna Stearns, "The Long-Run Effects of Wage Replacement and Job Protection: Evidence from Two Maternity Leave Reforms in Great Britain," Social Science Research Network, last revised July 29, 2018, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3030808.

⁵² Klerman, Daley, and Pozniak, "Family and Medical Leave in 2012: Technical Report."

⁵³ Klerman, Daley, and Pozniak, "Family and Medical Leave in 2012: Technical Report."

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⁵⁹ Horowitz et al., "Americans Widely Support Paid Family and Medical Leave."

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administration and financing, especially following the Great Recession. Substantial competition and ill will has arisen between the states willing to maintain “rainy-day” funds and those that slash payroll taxes and find themselves with little in reserve when the economy stalls. And state variation in unemployment insurance eligibility creates disparities in coverage in access and comprehensiveness. Many eligible workers do not apply for unemployment insurance at all because they find the system too daunting. See Jeffrey Wenger, “[State Trends in Unemployment Insurance Eligibility, Benefits, and Take-Up, 1990–2000](#)” (Washington, DC: Economic Policy Institute, 2001).

¹⁰⁴ State-based temporary disability insurance programs provide similar cautionary lessons, suggesting a federally administered system may offer improvements. Five of the six states with paid family and medical leave insurance programs layered those programs on top of their state temporary disability insurance programs. The funds provided by these employee-side taxes were used to jump-start temporary disability insurance reserves, and doing so gave these states a leg up in providing expanded wage replacements for workers facing care-driven interruptions to employment. Until 2018, when Washington State began implementing a stand-alone paid family and medical leave program, no state had enacted a new nonoccupational medical leave benefit program. See Molly Weston Williamson, “Structuring Paid Family and Medical Leave: Lessons from Temporary Disability Insurance,” *Connecticut Public Interest Law Journal* 17, no. 1 (Fall-Winter 2017): 1–57.

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