

APRIL 2020 | FACT SHEET

Expanding Paid Sick Days and Paid Family & Medical Leave in Response to COVID-19

The COVID-19 pandemic has highlighted the universal need for—and far from universal access to—paid sick days and paid family and medical leave in the United States. And the need for these protections will not end with the current health crisis. Policymakers must both fill the gaps in paid sick time and paid leave designed to respond to the COVID-19 emergency, and establish permanent structures to provide all working people with the leave they need when they need it.

Working people who most need access to paid sick days and paid family & medical leave are least likely to have it

As of 2019, over 32 million workers in the United States lacked any form of paid sick days—including a majority of people working in the lowest paying jobs. People working in essential but high-risk food preparation and service jobs and personal care jobs—industries in which women are overrepresented—are among the least likely to have paid sick days.

Moreover, in 2019, only 19 percent of workers in the United States had a jccess to paid family leave through their employers (i.e., leave to care for a family member with a serious health condition or a new baby), and just 40 percent had paid medical leave to address their own serious health conditions through an employer-provided short-term disability program. For people working in low-wage and part-time jobs most of whom are women—access is even more limited; among workers in the lowest 25 percent of wage earners, for example, only 9 percent had access to paid family leave in 2019. And while research shows men increasingly want to take an equal share of caregiving, women, women are still more likely to serve as primary caregivers for children and other family members in need of care, and are therefore more likely to need paid time off to ensure that their children or other family members receive the medical care and attention that they need.

Access to paid sick and family and medical leave is also an issue of racial justice. Racial and gender wealth gaps mean that women of color and their families are less likely to have the economic resources to cushion the blow of an unforeseen illness or caregiving need. Inequity in health care treatment and outcomes further highlight how a lack of paid leave can disproportionately harm women of color.

This reality leaves women of color and all working people with the impossible choice between taking care of themselves or their families and maintaining their financial security. COVID-19 has made dramatically clear that this tradeoff leaves both working people and the family members who depend on them for care in an untenable position.

Emergency paid sick days and paid leave provisions must be strengthened to protect workers' economic security during the COVID-19 crisis

The Families First Coronavirus Response Act (FFCRA) requires some employers to provide two weeks of job-protected paid sick days to care for oneself or others due to COVID-19 related reasons (including school or child care closure and for adult children with disabilities incapable of self-care, whose usual source of care is unavailable), as well as up to 12 weeks of job-protected "public health emergency leave" (10 of which are paid) for parents caring for children whose school, child care provider or usual source of care has closed. The FFCRA provides refundable payroll tax credits to reimburse employers and self-employed individuals for the cost of both types of emergency leave, and the Coronavirus Aid, Relief, and Economic Security (CARES) Act allows for advance payment of these credits.

But the FFCRA contains gaping exemptions and exclusions that the CARES Act did not fix:

- The FFCRA exempts businesses with 500 or more employees from providing any emergency paid sick days or paid leave. Employers of health care providers and emergency responders (of any size) may exempt these workers, too. Most federal employees are ineligible for public health emergency leave, and the <u>CARES Act</u> <u>authorizes OMB to exempt certain federal employees</u> from the paid sick time and paid leave requirements as well.
- The FFCRA allows the Department of Labor (DOL) to exempt businesses with fewer than 50 employees from covering paid sick days and paid family leave to care for a child whose school or place of care has closed—and DOL has started to outline how small businesses can apply for this exemption.
- The FFCRA caps the wages working people can be paid while taking leave during the emergency, and only replaces up to two-thirds of wages for people taking

public health emergency leave or taking paid sick time to care for people other than themselves. This partial wage replacement will disproportionately harm women, who already typically earn less than men and are more likely to take leave to care for others.

• The FFCRA fails to provide emergency paid sick time and paid leave for the full range of reasons people need it.

In particular, the law only allows working people to take longer-term leave to care for children due to school or child care closures—not to care for themselves if they fall ill, are quarantined or must self-isolate because they are at high risk, or for any other loved ones, including an adult family member other than a child whose place of care has closed or who must self-isolate due to high risk.

To ensure that working people are not forced to choose between their paychecks and their health—or the health of their family members and communities-during the COVID-19 crisis, additional federal legislation must expand eligibility for emergency paid sick time and family and medical leave protections, eliminate exemptions, ensure adequate wage replacement, and reflect the range of essential reasons workers will need leave during the pandemic. Moreover, these protections should be in place for the duration of the current, and any future, public health emergency. Permament paid sick days laws can help reduce the spread of seasonal flu by up to 40 percent during a major wave. But because the FFCRA measures were not in place until well after the pandemic set in, they could not help slow the initial transmission of the coronavirus, and will sunset on December 31, 2020 - likely before an effective vaccine is widely available.

National, comprehensive, permanent paid sick days and paid family & medical leave are essential to support working families' incomes and the economy

We must also look beyond the current health emergency and enact forward-looking policies to guarantee ongoing access to paid sick and family and medical leave that is comprehensive, inclusive, and economically viable for working people.

A NATIONAL PAID SICK LEAVE LAW MUST INCLUDE:

 Meaningful duration and full wages. Employees should be able to earn at least one hour of sick time for every 30 hours worked, totaling a minimum of seven days of accrued sick time annually that can be carried over. Paid sick days must be fully paid to employees without caps on wages that interfere with the ability to take leave.

- Broad coverage and job protection. A strong paid sick days law must protect all working people, including parttime workers and independent contractors, and ensure that workers do not risk losing their jobs or otherwise experience retaliation for taking leave.
- Expansive and inclusive uses. In addition to utilizing sick leave to recover from illness and care for others, working people must be allowed to use accrued sick days for "safe leave," or absences related to sexual assault, domestic violence, or stalking.

A NATIONAL PAID FAMILY AND MEDICAL LEAVE POLICY **MUST INCLUDE:**

- Meaningful duration and progressive wage replacement rate. A paid family and medical leave program must provide at least 12 weeks of paid leave and replace all or most wages during leave to ensure that working people especially those in low-paid jobs—can meaningfully access the benefit.
- Broad coverage and job protection. Paid family and medical leave must be available to all working people, including part-time workers and independent contractors. It must also give workers access to benefits quickly and guarantee that all workers are protected from retaliation for taking leave, can continue health insurance coverage during leave, and have the right to return to their jobs following leave.
- **Expansive and inclusive uses.** A strong paid leave policy must ensure that working people may take leave to care for themselves and their loved ones, including spouses, domestic partners, parents, children of any age, siblings, grandparents, grandchildren, and other individuals who comprise someone's "chosen family."

· Stable funding source. A national paid family and medical leave plan must be funded with new revenue not through cuts or reductions to existing benefits from programs on which people rely. Small contributions shared by employers and working people will create a system to equitably and sustainably fund a permanent national paid leave program.

Creating a national paid leave plan would have widespread positive effects. In addition to promoting workforce attachment and economic stability and providing much needed support for caregiving, a comprehensive paid leave plan would contribute to improved health outcomes and could help lower health care costs. Access to paid sick and family and medical leave also improves public health; working people are more likely to stay home to recover when they fall ill and their loved ones are more likely to receive necessary medical check-ups and critical immunizations. Research also shows that paid leave strengthens businesses of all sizes by reducing turnover costs, increasing employee loyalty, and minimizing administrative and financial costs. And by ensuring access to paid sick days and family and medical leave for the women and families of color who have most often been excluded from these protections, a comprehensive, national plan would promote a more equitable recovery for all of us. The COVID-19 crisis makes clear that all working people need access to paid sick days and paid family and medical leave—now and in the future.