

# The Family And Medical Insurance Leave (FAMILY) Act

JULY 2025

People across the country are working hard to make ends meet, yet the nation fails to provide the support they need to manage the demands of job and family, and that businesses and our economy need to thrive. Just 27 percent of the workforce has paid family leave through their employers, and just 43 percent has personal medical leave through an employer-provided short-term disability program.<sup>1</sup>

**The Family And Medical Insurance Leave (FAMILY) Act would address America's paid family and medical leave crisis and benefit working people, their families, businesses and our nation's economy.**

## Legislative Overview

Sponsored by Rep. Rosa DeLauro (D-Conn.) and Sen. Kirsten Gillibrand (D-N.Y.), the Family And Medical Insurance Leave (FAMILY) Act would create a **comprehensive national program that helps meet the needs of new parents and people with serious personal or family health issues** through a shared fund that makes paid leave affordable for employers of all sizes and for workers and their families.

### The FAMILY Act would:

- Provide workers with **up to 12 weeks of partial income when they take time** for their own serious health conditions, including pregnancy and childbirth recovery; the serious health condition of a family member; the birth or adoption of a child; to address the effects of domestic violence, sexual assault or stalking and/or to make certain arrangements arising from the military deployment of a spouse, child or parent.
- Enable the lowest-paid workers to earn up to 85 percent of their normal wages, with the typical full-time worker earning around **two-thirds of their wages**.
- **Cover workers in all companies, no matter their size.** Younger, part-time, lower-wage, contingent and self-employed workers would be eligible for benefits.
- Ensure that workers who have been at their job for more than 90 days have the **right to be reinstated** following their leave, and that all workers are protected from retaliation.

- Allow **states with existing paid leave programs** to continue administering them.
- Be administered through a **new Office of Paid Family and Medical Leave**. Payroll contributions would cover both insurance benefits and administrative costs.

## **Benefits for Workers, Families, Businesses and Our Economy**

### **Strengthens Families' Economic Independence**

Working families lose an estimated \$22.5 billion in wages each year due to a lack of access to paid family and medical leave.<sup>2</sup> The FAMILY Act would reduce the poverty rate by over 16 percent among people in families receiving paid leave benefits (by one percent population-wide) and would narrow racial inequities in poverty.<sup>3</sup>

### **Promotes Parents' Workforce Participation and Equity**

Paid leave can help new parents keep their families on track to meet new expenses. In the year following a birth, new mothers who take paid leave are more likely than those who take no paid leave to stay in the workforce and 54 percent more likely to report wage increases.<sup>4</sup> When fathers take paid leave, they are more involved parents.<sup>5</sup> In opposite-sex couples, fathers' paid leave supports mothers' physical and mental health and breastfeeding, improves relationship quality and makes it easier for women to return to the workforce.<sup>6</sup>

---

**The FAMILY Act would reduce the poverty rate by over 16 percent in families receiving paid leave benefits.**

---

### **Protects Older Workers' Income and Retirement Security**

Nearly half of employed caregivers who take time off to fulfill their responsibilities at home report losing income.<sup>7</sup> On average, workers 50 or older who leave the workforce to care for a parent lose more than \$300,000 in wages and retirement – and, for women, losses are even greater.<sup>8</sup> Paid leave would help keep more family caregivers – and people with their own health conditions – employed and strengthen their financial positions over time.

### **Improves Health Outcomes for Children and Adults**

Paid leave contributes to improved newborn and child health. New mothers are better able to initiate and continue breastfeeding, and new parents can more easily get babies to the doctor for check-ups and immunizations.<sup>9</sup> Paid leave allows ill or injured adults to get critical care, take needed recovery time and keep their health insurance.<sup>10</sup> It enables caregivers to help ill parents, spouses and children fulfill treatment plans and avoid complications and hospital readmissions.<sup>11</sup> In Massachusetts, paid leave led to improved health for workers with depression and those with coronary heart disease.<sup>12</sup>

## **Improves Bottom Lines for Businesses**

Nearly eight in 10 small business owners support enacting a national paid family and medical leave program like the FAMILY Act.<sup>13</sup> The FAMILY Act would spread the cost of leave, reducing the burden on individual employers and allowing many more workers to access paid leave. Paid leave contributes to reduced turnover and increased employee engagement and loyalty, leading to significant employer cost savings.<sup>14</sup> In California, where a family leave insurance program has existed for nearly two decades, workers in low-wage, high-turnover industries are much more likely to return to their jobs after using the program, and nine out of 10 businesses report positive or neutral effects on profitability and productivity.<sup>15</sup>

## **A Stronger National Economy**

The United States would add \$775 billion to its GDP per year if women participated in the labor force at rates similar to those in comparable countries with more robust work-family policies.<sup>16</sup> A national paid leave insurance program would help keep new parents and family caregivers in the workforce and boost their incomes and savings over time, all of which would contribute to economic productivity and growth. In contrast, when people have to forgo pay or lose a job when a serious medical or caregiving need arises, they often jeopardize their ability to afford even the most basic necessities. This hurts workers, their families and the businesses that depend on revenue from these purchases, and it stifles economic growth.

## **Demonstrated Effectiveness**

**The FAMILY Act builds on successful state family and medical leave insurance programs.** Ten states including the District of Columbia have paid family and medical leave insurance programs in effect (California, Colorado, Connecticut, the District of Columbia, Massachusetts, New Jersey, New York, Oregon, Rhode Island, and Washington state) and paid family leave programs will take effect in Delaware, Maine, Maryland and Minnesota in coming years.<sup>17</sup> Analyses of these programs show that employers and employees have benefitted,<sup>18</sup> program costs remain affordable over time and programs remain popular after implementation,<sup>19</sup> in addition to favorable results for families' and workers' health and small- and medium-sized businesses.<sup>20</sup>

It is well past time for a national paid leave policy that meets the country's needs and truly honors families. It's time for the FAMILY Act. **For more information, visit [NationalPartnership.org](https://NationalPartnership.org).**

---

<sup>1</sup> U.S. Bureau of Labor Statistics. (2024, September). *National Compensation Survey: Employee Benefits in the United States, March 2024* (See Excel tables, Civilian workers, Short term disability). Retrieved 12 May 2025, from <https://www.bls.gov/ebs/publications/employee-benefits-in-the-united-states-march-2024.htm>; U.S. Bureau of Labor Statistics.

---

(2023, September). *National Compensation Survey: Employee Benefits in the United States, March 2023 (See Excel tables, Civilian workers, Leave)*. Retrieved 12 May 2025, from <https://www.bls.gov/ebs/publications/employee-benefits-in-the-united-states-march-2023.htm>

<sup>2</sup> Glynn, S. J. (2020, January 21). *The Rising Cost of Inaction on Work-Family Policies*. Retrieved 12 May 2025, from Center for American Progress website: <https://www.americanprogress.org/article/rising-cost-inaction-work-family-policies/>

<sup>3</sup> Boyens, C., Smith, K., E., Wheaton, L., & Smalligan, J. (2024, September). *Understanding Equity in Paid Leave through Microsimulation: National Report*. Urban Institute Publication for the Women's Bureau of the Department of Labor. Retrieved 12 May 2025, from <https://static1.squarespace.com/static/6536b8dab487e203ecaa28ae/t/67c7b6f44348db3e0913e177/1741141750435/Understanding+Equity+In+Paid+Leave+Microsimulation+National+Report.pdf>

<sup>4</sup> Houser, L., & Vartanian, T. P. (2012, January). *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*. Center for Women and Work at Rutgers, the State University of New Jersey Publication. Retrieved 12 May 2025, from <https://nationalpartnership.org/wp-content/uploads/2023/02/pay-matters.pdf>

<sup>5</sup> Nepomnyaschy, L., & Waldfogel, J. (2007). Paternity Leave and Fathers' Involvement With Their Young Children: Evidence From the American ECLS-B. *Community, Work and Family*, 10(4), 427-453. doi:10.1080/13668800701575077

<sup>6</sup> Bartel, A., Rossin-Slater, M., Ruhm, C., Stearns, J., & Waldfogel, J. (2015, November). *Paid Family Leave, Fathers' Leave-Taking, and Leave-Sharing in Dual-Earner Households* (Working Paper No. 21747). Retrieved 12 May 2025, from National Bureau of Economic Research website: <http://www.nber.org/papers/w21747.pdf>; Donithen, R., Schoppe-Sullivan, S., Berrigan, M., & Kamp Dush, Claire. (2025, February). When New Fathers Take More Leave, Does Maternal Gatekeeping Decline? *Sex Roles*, 91(15). doi: 10.1007/s11199-025-01565-7; Parker, J. J., Simon, C. D., & Garfield, C. F. (2025, February). Fathers' work leave and infant breastfeeding in a state-representative sample of fathers in Georgia, United States. *BMC Public Health*, 25, 767. doi: 10.1186/s12889-025-22013-x; Persson, P., Rossin-Slater, M. (2019, May). *When Dad Can Stay Home: Fathers' Workplace Flexibility and Maternal Health* (Working Paper No. 25902). National Bureau of Economic Research. Retrieved 12 May 2025, from <https://www.nber.org/papers/w25902>; Petts, R. J., & Knoester, C. (2020, March). Are Parental Relationships Improved if Fathers Take Time Off of Work After the Birth of a Child? *Social Forces*, 98(3): 1223-1256. doi: 10.1093/sf/soz014

<sup>7</sup> Aumann, K., Galinsky, E., Sakai, K., Brown, M., Bond, J. T. (2010). *The Elder Care Study: Everyday Realities and Wishes for Change*. Retrieved 12 May 2025, from Families and Work Institute website: <https://cdn.sanity.io/files/ow8usu72/production/55b5d7835f6cb2463118ca1076cbadaa77d6c304.pdf>

<sup>8</sup> MetLife Mature Market Institute. (2011, June). *The MetLife Study of Caregiving Costs to Working Caregivers: Double Jeopardy for Baby Boomers Caring for Their Parents*. Retrieved 12 May 2025, from <http://www.caregiving.org/wp-content/uploads/2011/06/mmi-caregiving-costs-working-caregivers.pdf>

<sup>9</sup> Berger, L., Hill, J., & Waldfogel, J. (2005). Maternity Leave, Early Maternal Employment and Child Health and Development in the US. *The Economic Journal*, 115(501), F29-F47. doi: 10.1111/j.0013-0133.2005.00971.x

<sup>10</sup> Weston Williamson, M. (2024, May 22). *Lack of Paid Leave Hurts Americans' Health*. Retrieved 12 May 2025, from Center for American Progress website: <https://www.americanprogress.org/article/lack-of-paid-leave-hurts-americans-health/>; Weston Williamson, M. (2024, December 16). *Paid Leave Helps Americans Keep Their Health Insurance When They Need It Most*. Retrieved 12 May 2025, from Center for American Progress website: <https://www.americanprogress.org/article/paid-leave-helps-americans-keep-their-health-insurance-when-they-need-it-most/>

<sup>11</sup> Institute of Medicine of the National Academies. (2008, April). *Retooling for an Aging America: Building the Health Care Workforce* (p. 254). Retrieved 12 May 2025, from <https://nap.nationalacademies.org/read/12089/chapter/1>; Arbaje, A. I., Wolff, J., L., Yu, Q., Powe, N. R., Anderson, G. F., & Boulton, C. (2008, August). Postdischarge Environmental and Socioeconomic Factors and the Likelihood of Early Hospital Readmission Among Community-Dwelling Medicare Beneficiaries. *The Gerontologist* 48(4), 495-504. DOI: 10.1093/geront/48.4.495

<sup>12</sup> Majumder, A., & Mason, J. (2025, February). *The Impact of Paid Leave on the Health of Massachusetts*. Retrieved 12 May 2025, from National Partnership for Women & Families website: <https://nationalpartnership.org/report/the-impact-of-paid-leave-on-the-health-of-massachusetts/>

<sup>13</sup> Nationally representative survey of 500 small business owners nationwide conducted by Lake Research Partners August 13-21, 2024. Small Business Majority and National Partnership for Women & Families. (2024, October). *Small Businesses Support a National Paid Family and Medical Leave Program*. Retrieved 12 May 2025, from <https://nationalpartnership.org/report/small-businesses-support-national-paid-family-medical-leave-program/>

<sup>14</sup> Bahn, K., & Sanchez Cumming, C. (2020, December 21). *Improving U.S. labor standards and the quality of jobs to reduce the costs of employee turnover to U.S. companies*. Retrieved 12 May 2025, from Washington Center for Equitable Growth website: <https://equitablegrowth.org/improving-u-s-labor-standards-and-the-quality-of-jobs-to-reduce-the-costs-of-employee-turnover-to-u-s-companies/>

<sup>15</sup> Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press.

---

<sup>16</sup> Glynn, S. J. (2023, November). *The Cost of Doing Nothing, 2023 Update: The Price We STILL Pay without Policies to Support Working Families*. Women's Bureau of the U.S. Department of Labor Publication. Retrieved 12 May 2025, from <https://static1.squarespace.com/static/6536b8dab487e203ecaa28ae/t/67c7b3ff09741d60c3f6fc6c/1741140991792/The+Cost+of+Doing+Nothing%2C+2023+Update.pdf>

<sup>17</sup> National Partnership for Women & Families. (2024, July). *State Paid Family and Medical Leave Insurance Laws*. Retrieved 30 April 2025, from <https://nationalpartnership.org/wp-content/uploads/2023/02/state-paid-family-leave-laws.pdf>

<sup>18</sup> Bartel, A., Baum, C., Rossin-Slater, M., Ruhm, C., & Waldfogel, J. (2014, June). *California's Paid Family Leave Law: Lessons from the First Decade*. Retrieved 12 May 2025, from U.S. Department of Labor website: <https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/PaidLeaveDeliverable.pdf>

<sup>19</sup> Press of Atlantic City. (2010, November 15). *Paid Family Leave / Working well*. Retrieved 12 May 2025, from [http://www.pressofatlanticcity.com/opinion/editorials/article\\_0d6ba980-3a1d-56f7-9101-258999b5d9d0.html](http://www.pressofatlanticcity.com/opinion/editorials/article_0d6ba980-3a1d-56f7-9101-258999b5d9d0.html); See also Houser, L., & White, K. (2012, October). *Awareness of New Jersey's Family Leave Insurance Program is Low, Even as Public Support Remains High and Need Persists*. Rutgers University, The State University of New Jersey Center for Women and Work Publication. Retrieved 12 May 2025, from [https://smlr.rutgers.edu/sites/default/files/Documents/Centers/CWW/Publications/FLI\\_Issue\\_Brief\\_Final\\_with\\_Appendix.pdf](https://smlr.rutgers.edu/sites/default/files/Documents/Centers/CWW/Publications/FLI_Issue_Brief_Final_with_Appendix.pdf)

<sup>20</sup> National Partnership for Women & Families. (2015, February). *First Impressions: Comparing State Paid Family Leave Programs in Their First Years*. Retrieved 12 May 2025, from <https://nationalpartnership.org/wp-content/uploads/2023/02/first-impressions-comparing-state-paid-family-leave-programs-in-their-first-years.pdf>; Bartel, A., Rossin-Slater, M., Ruhm, C., & Waldfogel, J. (2016, January). *Assessing Rhode Island's Temporary Caregiver Insurance Act: Insights from a Survey of Employers*. Retrieved 12 May 2025, from U.S. Department of Labor website: [https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/AssessingRhodeIslandTemporaryCaregiverInsuranceAct\\_InsightsFromSurveyOfEmployers.pdf](https://www.dol.gov/sites/dolgov/files/OASP/legacy/files/AssessingRhodeIslandTemporaryCaregiverInsuranceAct_InsightsFromSurveyOfEmployers.pdf)

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy group dedicated to promoting fairness in the workplace, access to quality health care and policies that help all people meet the dual demands of work and family. More information is available at [NationalPartnership.org](https://NationalPartnership.org).

© 2025 National Partnership for Women & Families. All rights reserved.