

United States Senate

WASHINGTON, DC 20510-3205

March 18, 2014

Dear Colleague:

Across the country, people are working hard to make ends meet and provide for their families, but at some point, nearly everyone will need time away from work to recover from a serious illness or care for a sick loved one or new child. Unfortunately, the majority of working people in the United States cannot take the time they need without risking their jobs or economic security. This lack of paid family and medical leave hurts all of us.

That is why I introduced the Family and Medical Insurance Leave Act (FAMILY Act) – S. 1810. The FAMILY Act would help to ensure people have much-needed income when using family and medical leave. Employees would earn a portion of their wages for a limited period of time to address their own serious health issue, including pregnancy or childbirth; to deal with the serious health issue of a parent, spouse, domestic partner or child; to care for a new child; and/or for particular military caregiving and leave purposes. Eligible employees could take up to 60 workdays (12 weeks) away from their jobs with partial wage replacement to take care of themselves or a family member in a one-year period.

The FAMILY Act would create a paid family and medical leave insurance program that will bring the nation's employment safeguards more in line with the needs of the 21st century workforce. A new, self-sustaining national insurance fund would be created through very small shared contributions from employees and employers. Employees and employers would each contribute two cents for every \$10 in wages (two-tenths of one percent of wages). A new Office of Paid Family and Medical Leave within the Social Security Administration would be established to administer the program, and payroll contribution levels would cover the total cost of the program — both insurance benefits and administrative costs.

The FAMILY Act addresses the single most important reason that people cannot take the time they need when serious family and medical needs arise — the financial impossibility of taking unpaid time away from their jobs. At some point, nearly everyone will experience the joyous arrival of a new child, or the tragedy of a personal or family illness. Yet only 12 percent of workers in the United States have access to paid family leave through their employers, less than 40 percent of workers have access to personal medical leave through employer-provided temporary disability insurance.¹

The FAMILY Act will strengthen the economic security of working people, their families, businesses and the economy. Paid family and medical leave provides income stability for people and their families. And the whole economy benefits when individuals and families are economically secure and businesses thrive.

The FAMILY Act improves the bottom line for businesses. Not only does access to paid leave keep people in their jobs and spending money in their communities, but it also reduces businesses' turnover costs and increases employee loyalty. And establishing a paid leave policy standard like the

FAMILY Act levels the playing field for smaller businesses that may want to give workers access to paid leave but cannot afford to bear the full cost of doing so.

The FAMILY Act will improve health outcomes for young children, ill adults and seniors while reducing health care costs. Paid leave contributes to improved newborn and child health because mothers can continue breastfeeding. Decades of research on parent-child interaction demonstrates that time together in the first months of life can mean the difference between positive and negative educational and social/emotional outcomes. In addition, the financial stability that paid leave provides enables parents to ensure newborn children receive medical check-ups and immunizations. This lowers the occurrence and length of childhood illnesses, which reduces private and public health costs. Paid leave also enables people to get critical care for themselves and help loved ones recover faster or get needed care, and it helps seniors stay healthy and independent longer. In addition, public assistance costs are reduced when new parents have access to paid leave; both new mothers and new fathers are significantly less likely to receive food stamps and other forms of public assistance in the year following a child's birth when they have paid leave, exclusive of other relevant factors.

We know that paid leave insurance programs like this work. Similar programs have existed in California since 2004 and New Jersey since 2009. Rhode Island passed a program this year that will be implemented in 2014. Analyses of California's program show that both employers and employees have benefitted from it.

Americans want a paid leave standard. The United States is the only industrialized country that does not offer paid family and medical leave.² Survey data have long shown that the American public struggles to manage work and family demands and that Americans consider family and maternity leave to be an important standard. A 2013 survey found that three-quarters of registered voters favor a national paid leave insurance program paid for by a payroll contribution. The support extends across party lines.³

People want to have successful families, to be good parents, and to have a job and succeed at it. If you take one away to get the other, families, businesses and the economy pay a price. When people have to lose a paycheck to meet personal or family health needs, they struggle to afford even the most basic necessities, which hurts the businesses that depend on revenue from these purchases and the growth of our economy.

The FAMILY Act will make a real difference in the health and financial well-being of working families and strengthen our businesses and our communities. We urge you to join us in sponsoring this important legislation. If you have any questions, or would like to co-sponsor the bill please contact Brooke Jamison at Brooke_Jamison@gillibrand.senate.gov or Desiree Tims at Desiree_Tims@gillibrand.senate.gov (202-224-5865).

Sincerely,



Kirsten Gillibrand
United States Senator

¹ U.S. Bureau of Labor Statistics (2012, September). *Employee Benefits in the United States National Compensation Survey: Employee Benefits in the United States, March 2012 (Tables 16 and 32)*. Retrieved 16 September 2013, from <http://www.bls.gov/nce/cbs/benefits/2012/ebb10050.pdf>

² International Labour Organization (1998 February) More than 120 Nations Provide Maternity Leave, Retrieved 20 December, 2013, from http://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_008009/lang-en/index.htm and <http://www.humanservices.gov.au/customer/services/centrelink/parental-leave-pay>.