



the work and family legal center

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FACTSHEET:

Family Leave Insurance: A Priority for Working Families in New York

When a loved one has a medical emergency, or when a new child is born or adopted, many New Yorkers are unable to take time off from work. The Family Leave Insurance Act would establish a critical health and economic safety net for working New Yorkers, by providing workers with up to 12 weeks of paid leave—financed through small employee payroll contributions—to care for a new child or seriously ill family member.

Working Families in New York State Need Family Leave Insurance

- Workers in New York have no legal right to paid leave when they need to care for a new baby or a family member with a serious illness. Most employers do not voluntarily provide such benefits: as of March 2010, only 11% of American workers had paid family leave.¹ Therefore, far too many New Yorkers are forced to choose between their jobs and their family's health and wellbeing.
- Access to paid family leave is an economic justice issue. The highest 10% of wage earners are six times more likely to have paid family leave than the lowest 10% of wage earners.²
- Among industrialized nations, the United States stands alone in its failure to guarantee workers paid leave. As of 2011, 178 countries have national laws that guarantee paid leave to new mothers. Only three countries in the world provide absolutely no legal right to paid maternity leave — Papua New Guinea, Swaziland, and the **United States**.³

Family Leave Insurance is a Common-Sense Way to Provide Paid Leave for Working Families

- By expanding New York's current Temporary Disability Insurance (TDI) program, the Family Leave Insurance Act would provide workers with up to 12 weeks of benefits to bond with a newborn or newly adopted child or to care for a seriously ill family member.
- Family leave insurance would not increase employers' payroll costs. Rather, the weekly benefit would be financed through small employee payroll deductions — by some estimates, as little as 58 cents a week.

Family Leave Insurance Enhances Child Health and Supports Working Parents

- A family leave insurance program would make it easier for new parents—both mothers and fathers—to care for their children without undue financial hardship. Research has shown that paid family leave helps parents to recover from childbirth, bond with newborn or newly adopted children, and better meet their children's health needs.⁴ Access to paid family leave also increases the average duration of breastfeeding, which improves the health of newborn children and their mothers.⁵
- Sick children benefit when their parents can afford time off work to care for them. Research shows that ill children have better vital signs, quicker recoveries, and reduced hospital stays when cared for by parents.⁶

Family Leave Insurance Provides Critical Support to Family Caregivers and The Elderly

- With family leave insurance, workers would not have to sacrifice their economic security in order to care for ill or aging relatives. The benefits of family caregiving to elderly and sick individuals are clear: family caregivers can help ill and aging individuals to recover more quickly and to spend less time in hospitals.⁷
- From 1990 to 2000, the population of New Yorkers over age 85 increased by more than 25%, while the population of New Yorkers over age 75 increased by more than 15%.⁸ As the population of elderly New Yorkers continues to rise, their working family members will face increasing eldercare demands. Family leave insurance would allow more workers to support the health needs of aging loved ones.
- Policies that support family caregiving create savings that benefit all New Yorkers. Unpaid family caregivers not only help to ease the burden on our crowded hospitals and long-term care facilities but also

create enormous financial savings. For example, recipients of family caregiving are less likely to have nursing home care or home health care paid for by Medicare.⁹ In 2007, unpaid family caregivers in the United States provided services valued at approximately \$375 billion a year.¹⁰

Family Leave Insurance is Good for Working Families, Business and Our Economy

- California and New Jersey have adopted similar family leave insurance laws, and a recent study showed that an overwhelming majority of California employers believe family leave insurance has had a positive or neutral effect on their business operations.¹¹ Research has shown that paid family leave leads to business savings, by increasing employee retention, lowering turnover costs, improving productivity, and enhancing worker morale and loyalty.¹²
- In today's economy, family leave insurance is a low-cost way to keep workers employed and to help workers meet family needs. For example, women who take paid leave after a child's birth are more likely to be employed 9-12 months after the child's birth than working women who take no leave. New mothers who take paid leave are also more likely to report wage increases in the year following the child's birth.¹³
- When forced to leave their jobs or take unpaid leave, many poorer workers must turn to public assistance programs for support. By keeping workers with caregiving needs attached to the workforce, family leave insurance can decrease reliance on public assistance, in turn creating significant taxpayer savings.¹⁴

Federal Law Fails to Provide Workers with Paid Family Leave

- The federal Family and Medical Leave Act of 1993 (FMLA) guarantees workers for large employers *unpaid* job-protected leave to care for a new child or a seriously ill family member, or to recover from one's own serious health condition. But a significant percentage of Americans cannot access this unpaid benefit due to eligibility restrictions. For example, the FMLA does not cover workers in businesses with fewer than 50 employees or any workers who have not worked for 1,250 hours in the past year at the same job. Nearly 50% of all workers—and 80% of new mothers—in the U.S. are not covered by the FMLA.¹⁵
- Many workers who are eligible for the FMLA cannot afford to take time off, since the leave provided under the law is unpaid. In one study of FMLA-eligible workers who chose not to take leave, 75% said their decision was motivated by financial reasons.¹⁶ Due to the inadequacy of the FMLA, working families in New York have a heightened need for a statewide family leave insurance law.

Please visit www.abetterbalance.org to learn more or get involved in the family leave insurance campaign.

¹ *Failing its Families: Lack of Paid Leave and Work-Family Supports in the US*, Human Rights Watch (Feb. 2011), p. 29 (regarding specific paid family leave benefits, "rather than all forms of paid leave that might be applied during time off work to care for family (such as paid sick and vacation days)").

² *Ibid.*, p. 30.

³ *Ibid.*, p. 1. There is insufficient information on paid leave in Bhutan, Liberia, Tuvalu, Samoa, Sierra Leone, Bosnia-Herzegovina, Marshall Islands, Micronesia, and Suriname.

⁴ *Ibid.*, pp. 37-48.

⁵ *Ibid.*, pp. 37-38.

⁶ See S. J. Heymann, A. Earle & B. Egleston, *Parental Availability for the Care of Sick Children*, *Pediatrics*, Vol. 98 No. 2 (Aug. 1996), pp. 226-30; S.J. Heymann, *The Widening Gap: Why America's Working Families are in Jeopardy and What Can Be Done About It*, Basic Books (2000), p. 57.

⁷ For more on the benefits of family caregiving, see, e.g., A. Houser & M.J. Gibson, *Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*, AARP Public Policy Institute (Nov. 2008), pp. 1-2, 6; --, *Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving*, AARP (June 2007), p. 6.

⁸ *Demographic Changes in New York State*, NYS Office for the Aging, available at: <http://www.aging.ny.gov/NYSOFA/Demographics/DemographicChangesinNewYorkState.pdf> last accessed Nov. 1, 2011.

⁹ Houser and Gibson, *Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving*, p. 6.

¹⁰ --, *Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*, pp. 1-2.

¹¹ E. Appelbaum & R. Milkman, *Leaves that Pay: Employer and Worker Experiences with Paid Family Leave in California*, CEPR (Jan. 2011), p. 4.

¹² See, e.g., *Ibid.*, pp. 5, 8; E. Rudd, *Family Leave: A Policy Concept Made in America*, Sloan Work and Family Research Network (2004).

¹³ L. Houser & T. Vartanian, *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*, commissioned by the National Partnership for Women & Families and conducted by the Center for Women and Work at Rutgers University (Jan. 2012), pp. 6-7.

¹⁴ See, e.g., A. Dube & E. Kaplan, *Paid Family Leave in California: An Analysis of Costs and Benefits*, Labor Project for Working Families (July 2002), pp. 44-49 (estimating annual savings of \$23.5 million in usage of food stamps and TANF).

¹⁵ Appelbaum and Milkman, *Leaves that Pay*, p. 1. For a more comprehensive overview of the FMLA, see A Better Balance, *Fact Sheet: the Family and Medical Leave Act*, (Jan. 2011), available at <http://abetterbalance.org/web/home/forfam/know-your-rights>.

¹⁶ S. Fass, *Paid Leave in the States: A Critical Support for Low-wage Workers and their Families*, National Center for Children & Poverty (Mar. 2009), p. 5.