



FACT SHEET: Paid Parental Leave for Tennessee State Employees

No one should have to sacrifice their financial security in order to care for their family. Paid parental leave would allow Tennessee state employees to take the time they need to care for a new child without losing their income or savings.

Tennessee state employees need stronger support for caregiving needs.

- Without dedicated paid parental leave, state employees often have no choice but to use up any sick or vacation days when a new child arrives, leaving them with no paid leave for when their child is sick.
- Providing paid parental leave separately ensures that employees can reserve their paid sick days for when they truly need them.
- Several of Tennessee's peer states, including Georgia¹, South Carolina², and North Carolina³, have already enacted paid parental leave policies for their state employees.
- In addition, in 2019, President Trump signed into law 12 weeks of paid parental leave for federal government employees to care for a new child.⁴

Providing paid leave is a smart business decision, especially in today's highly competitive labor market.

- Paid family leave has been shown to increase employee retention and decrease turnover, saving money on rehiring and training costs.
- Paid family leave also helps boost productivity and improve employee morale.
 - 91% of employers surveyed in one state reported that paid family leave had either a positive or neutral effect on profitability.⁵ Large majorities of employers also reported positive or neutral effects on productivity (88.5%) and employee morale (98.6%).
- This is especially critical as state government is the only sector of Tennessee's economy that has not recovered from the effects of the COVID-19 pandemic, according to the Boyd Center for Business and Economic Research.⁶

Providing paid parental leave will make the state more competitive in recruiting the best and brightest employees, since many major private sector employers already offer it.

- Based on available data, at least 20 major employers across the state—including FedEx,⁷ Dollar General,⁸ First Horizon,⁹ BlueCross BlueShield of Tennessee,¹⁰ and Pilot Flying J¹¹—provide some form of paid parental leave for their employees to care for a new child.

Paid parental leave is good for the economy.

- By keeping workers with caregiving needs attached to the workforce, paid parental leave decreases reliance on public assistance programs, creating taxpayer savings.
- Women who take paid leave after having a baby are more likely to be working 9 to 12 months after the birth than women who take no leave.¹²
- Women and men who return to work after a paid leave are significantly less likely to receive public assistance in the year after the birth of their child than parents who take no leave at all.¹³

Providing paid leave for both parents leads to healthy, strong families and supports adoptive parents.

- Paid parental leave supports adoptive parents by providing time to handle logistics and bond with a new child while easing the financial burden that often comes with adoption.¹⁴
- When fathers take adequate paid parental leave, it greatly benefits new moms as well, leading to fewer postpartum health complications and improved mental health.¹⁵

Nearly 70% of Tennessee voters believe that state government should play a role in ensuring workers have access to paid family leave and paid sick days.¹⁶

¹ Gov. Kemp Signs Bill to Provide Paid Parental Leave for State Employees, *Office of Governor Brian Kemp*, May 5, 2021, <https://gov.georgia.gov/press-releases/2021-05-05/gov-kemp-signs-bill-provide-paid-parental-leave-state-employees>.

² State employees now get paid parental leave, Gov. McMaster, *WPDE ABC 15 News*, May 16, 2022, <https://wpde.com/news/local/state-employees-now-get-paid-parental-leave-gov-mcmaster>.

³ Paid Parental Leave, North Carolina Office of State Human Resources, <https://oshr.nc.gov/state-employee-resources/benefits/work-life-balance/paid-parental-leave>.

⁴ Trump Approves Paid Parental Leave for Federal Workers, *Society for Human Resource Management*, Dec. 20, 2019, <https://www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/trump-approves-paid-parental-leave-for-federal-workers.aspx>.

⁵ Eileen Appelbaum and Ruth Milkman, *Leaves that Pay: Employer and Worker Experiences with Paid Family Leave in California*, <http://cepr.net/documents/publications/paid-family-leave-1-2011.pdf>.

⁶ An Economic Report to the Governor of the State of Tennessee: The State's Economic Outlook 2023, *Boyd Center for Business and Economic Research*, <https://haslam.utk.edu/publication/economic-report-to-the-governor-2023/>.

⁷ FedEx Logistics Benefits, <https://careers.fedex.com/logistics-why-fedex>.

⁸ Dollar General Announces Paid Parental Leave and Adoption Assistance Benefit, March 8, 2018, <https://newscenter.dollargeneral.com/news/dollar-general-announces-paid-parental-leave-and-adoption-assistance-benefit.htm>.

⁹ Michelle Corbet, First Tennessee expands significantly its maternity/parental leave benefit, *Memphis Business Journal*, Aug. 9, 2016, <https://www.bizjournals.com/memphis/news/2016/08/03/first-tennessee-expands-significantly-its.html>.

¹⁰ Jesse Thompson, Why BlueCross BlueShield of Tennessee offers paid parental leave benefits to employees, *The Tennessean*, Jul. 11, 2018, <https://www.tennessean.com/story/sponsor-story/top-workplaces-nashville-2018/2018/07/11/why-bluecross-blueshield-tennessee-offers-paid-parental-leave-benefits-employees/776847002/>.

¹¹ Pilot Flying J Announces Family-Friendly Parental Leave for All Team Members, *PR Newswire*, Nov. 7, 2019, <https://www.prnewswire.com/news-releases/pilot-flying-j-announces-family-friendly-parental-leave-for-all-team-members-300953971.html>.

¹² Linda Houser & Thomas Vartanian, *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*, Center for Women and Work (2012), p. 6-7, <http://www.nationalpartnership.org/research-library/work-family/other/pay-matters.pdf>.

¹³ *Ibid*.

¹⁴ Adoption Friendly Benefits in the Workplace: It is the Right Thing to Do, *National Council For Adoption*, July 1, 2018, <https://adoptioncouncil.org/publications/adoption-advocate-no-121/>.

¹⁵ When Dad Can Stay Home: Fathers' Workplace Flexibility And Maternal Health, *National Bureau of Economic Research*, October 2019, https://www.nber.org/system/files/working_papers/w25902/w25902.pdf.

¹⁶ Multi-State Poll: Tennessee Findings, *State Innovation Exchange*, July 2020, p. 13, https://stateinnovation.org/wp-content/uploads/2020/09/TSPolling_TN_SiX_Deck_d4_2020.09.16.pdf.