

NEW YORK STATE
PAID FAMILY LEAVE COALITION
New York's Working Families Need Time to Care

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Workforce Protections Subcommittee Field Hearing on

Family-Friendly Leave Policies: Improving How Workers Balance Work and Family

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My name is Donna Dolan. Thank you for inviting me here to testify today on behalf of the New York State Paid Family Leave Coalition. The Coalition, which has been working to advance paid family leave and paid sick days, is comprised of over 100 organizations representing labor and advocates for low-income working families, women, children, seniors, the disabled and chronically ill. I am here to urge the Congress to pass a comprehensive paid family leave insurance program.

Every American at some point in her or his life will need time to care for a newborn or newly adopted child, for an aging parent, or for a seriously ill family member, or *will be* that baby, aging parent, or ill spouse. The workers who need to take time off to provide that care should not have to choose between their loved ones and their livelihoods.

Momentum is growing around the country to provide universal paid family leave through social insurance. Why? Because it is well past time for workplace practices to catch up to the reality of today's labor force where the vast majority of women are working and it takes two earners to provide a decent standard of living. It is about ending the war, the tug of war workers feel when they are pulled between work and family responsibilities. And it is also about the health of our nation.

We know that early child development is absolutely critical. And we know that infants do better when they have parental time. As just one example, in a recent large randomized trial,

researchers found that breast-feeding is associated with improved scores on intelligence tests in childhood. Studies by Chatterji, *et. al.*, Fein and Roe, Visness and Kennedy and others have found that returning to work sooner significantly decreases the likelihood and duration of breast-feeding. In particular, women returning to work full-time and low-income women have difficulty continuing breast-feeding. In addition to benefiting the child, many studies have shown that a longer maternal leave also significantly improves health outcomes for the mother. We know that seriously ill children recover more quickly when a parent can take care of them. We know that we will save money on Medicare and Medicaid when a family member can be there when an aging parent is discharged from the hospital.

Our neighbor, New Jersey has just become the third state to enact paid family leave, after California and Washington. Five other states, Arizona, Massachusetts, Minnesota, Pennsylvania, and New York have bills in progress.

Last year New York came very, very close. The Assembly passed a bill and Governor Spitzer had his pen ready to sign it. But the Senate decided to hold hearings rather than bring the bill to the floor. Last year's bill would have provided up to 12 weeks of paid leave to care for a new child during the first year or a seriously ill family member. All private workers, including part-time employees, were covered and local and state government workers could decide whether or not to opt in. The benefit would have been the same as for Temporary Disability Insurance, which is capped at \$170 a week and hasn't been raised since 1989. We all know that this is laughably low and needs to be increased.

So this year we are working on a new bill that would fix that problem and phase in a higher benefit level, increasing to half a worker's average weekly wage, capped at 50% of the statewide average weekly wage. That would place the cap at over \$500 a week and would automatically keep pace with changing wage levels over time.

The states are now at the forefront of change as has been the case for other sensible policy ideas that provide a basic floor of support for working families: raising the minimum wage, expanding health insurance coverage, work supports for mothers who have moved from welfare to jobs but not out of poverty, and ensuring that all workers can occasionally call in sick without fear of being fired. States provide useful laboratories, demonstrating that these policies work, testing

variations, and ultimately putting to rest predictions that policies that are good for hard-working American consumers and tax-payers are somehow bad for business.

New York has an advantage because we are one of the five states that already have a statewide temporary disability insurance system. In effect, we already have the “M” in FMLA, partial wage replacement for your own serious illness, so now we need to expand it to provide the “F”. But 45 other states do not have a ready-made model to build on.

Universal family leave insurance will not happen by itself without federal action. The 2008 National Study of Employers just released a few weeks ago by the Families and Work Institute found that there has been no progress on most measures of family-friendly workplace practices over the past decade, and that we are moving backwards when it comes to maternity leave. The percent of employers (with more than 100 employees) providing full pay during the period of maternity-related disability has dropped to 16 percent, down from 27 percent in 1998.

State initiatives and legislation at the national level to provide paid family leave for federal workers are important because they pave the way for passage of comprehensive, national paid family leave insurance. But the ultimate goal must be adoption of paid family leave at the federal level. We are one nation. It is good for our economy when workers can move to seek better opportunities for themselves and their families. Why should children be assured a healthy start in Hoboken but be deprived of the best shot at early childhood development across the river in Harlem? Why should a worker be able to afford to take time off to provide temporary care for a seriously ill aging mom or dad in Jersey City but not in Kansas City or Oklahoma City or New York City? The most successful social policies in America have been universal. Think Social Security and Medicare.

We can afford to do this. The actual cost in California is just 58 cents a week, deducted from employees' paychecks. In New Jersey the projected cost is similar, 63 cents a week or a maximum of \$33 a year.

The voters overwhelmingly support paid family leave. A recent national survey by the polling firm Lake Research found 76% in favor of paid family leave. Support is even higher in New York. A survey in New York City by Lake Research for Community Service Society found that

86% supported paid family leave – with three out of four of those surveyed saying that they strongly favored it. That is stunningly high support.

H.R. 5873, the Family Leave Insurance Act of 2008, would fulfill the unfinished promise of the Family and Medical Leave Act, by ensuring that workers could actually afford to take family leave. The bill contains excellent provisions that we support including up to 12 weeks of leave, expanding the definition of family, job protection and structuring benefits progressively so that lower-wage workers get a higher percentage of their weekly earnings. It would cover some part-time workers. We would suggest that this provision be broadened since many working women with young children, employees who most need this benefit, are employed part-time.

I would also urge you to consider a proposal suggested by my colleague Nancy Rankin, for “Fixing Social Insecurity.” In her 2002 book *Taking Parenting Public*, she suggests modernizing Social Security to allow workers to draw social security benefits for up to three years during their prime caregiving years. Social Security has helped diminish the poverty once faced by the aging after retirement. But Americans now face a new period of financial insecurity earlier in their lifetimes, when they need to take time off during their working years to raise the next generation or care for the previous one. This could be accomplished by raising the taxable earnings base for Social Security, a very small add-on to the payroll tax, or possibly some offsetting adjustment to retirement benefits for beneficiaries who have opted for caregiving benefits as is done now for those choosing early retirement.

Many of you have heard the statistics that in international comparisons, the United States comes in dead last among 168 countries, tied with Liberia, Swaziland and Papua New Guinea in providing zero paid maternity leave. Providing paid family leave will not keep our country from being competitive in the global economy. But failing to promote healthy early child development most certainly will.

Allow me to close with a personal story. As we campaign around the state for paid family leave, one of us dresses up as a giant stork who personally delivers thousands of constituent postcards to our elected officials urging the passage of paid leave. It gets attention. When we asked our tall, hefty colleague who played our stork on a recent Albany visit if he felt silly wearing this costume, he took off his stork head and told us his story. “I’m glad to be the stork because I

know how important this issue is. A few weeks ago, in April, my wife and I had a baby. My wife had to spend the last three weeks on complete bed rest and the final week in the hospital. So I had to take off from work to take care of our three year-old son who is autistic. When I went back to work, they told me I would not get paid. I couldn't pay our bills.”

Thank you.
