

September 14, 2020

Joan Harrigan-Farrelly
Deputy Director, Women's Bureau
U.S. Department of Labor
200 Constitution Avenue NW
Room S-3002
Washington, DC 20210

Submitted Electronically

Re: Request for Information; Paid Leave, RIN 1290-ZA03

Dear Ms. Harrigan-Farrelly,

Indiana Institute for Working Families, a program of the Indiana Community Action Association, conducts research and promotes public policies that allow Hoosiers to achieve and maintain financial well-being. We are writing to comment on the request for information (RFI) issued by the Women's Bureau of the U.S. Department of Labor (DOL) on July 16, 2020. We firmly believe that a robust, national paid family and medical leave program would contribute greatly to the financial stability of workers, especially those who are paid low wages.

In 2016, we published [Paid Family and Medical Leave: Policy Analysis and Recommendations for Indiana](#). Upon reviewing the available research literature, we determined that a paid family and medical leave program could offer a host of benefits to workers, their families, businesses, public health, and the economy. These benefits, however, are dependent on if the program was fully inclusive of all employees, covered all FMLA reasons, provided portable benefits, shared costs across employers and employees, and provided tiered wage replacement so that low-wage workers could use it. Studies published since that time - as well as listening sessions we have conducted here in Indiana - only strengthen our conviction that a paid leave program would offer substantial benefits to Hoosiers. We are working in collaboration with dozens of organizations in Indiana to push for a state or national program.

The RFI notice indicates that DOL seeks to “gather information concerning the effectiveness of current state- and employer-provided paid leave programs, and how access or lack of access to paid leave programs impacts America's workers and their families,” in order to “identify promising practices related to eligibility requirements, related costs, and administrative models of existing paid leave programs.”

We observe that nearly all workers will, at some time in their working lives, need time off for their own health, to welcome a new baby or adopted child, or to care for an aging loved one – and they should be able to do so without losing their jobs or facing financial ruin. Establishing a paid family and medical leave programs is a smart strategy to provide workers with paid time off, to make businesses more attractive places to work, and to improve public health outcomes & to strengthen our nation's economy. Paid family and medical leave ensures that workers are confident that they won't lose pay when someone in the family gets sick and needs help, so they will be able to meet their basic needs & spend in local businesses.

Unfortunately, just 19 percent of the workforce has paid family leave through their employers, and only 40 percent has personal medical leave through an employer-provided disability program. Workers in low-wage jobs are the least likely to have paid leave, and yet are also the least able to afford to go without pay. Just 7% of private sector workers in the lowest wage quartile have paid family leave benefits - even after the enactment in 2017 of tax credits intended to incentivize employers to offer paid leave. Black & Latinx workers are less likely to have paid leave than other workers. An estimated one in four women go back to work within two weeks of giving birth - well before they have healed or had a sufficient opportunity to bond. One study found that sixty percent of fathers working low-wage jobs took zero weeks of paid time off after the birth or adoption of a child, and another study suggests that only one in 20 fathers in professional jobs took more than two weeks off after their most recent child was born.

The workforce has changed; few families have at-home caregivers or emergency savings to cover longer leaves. Yet a shortage of paid caregivers means that, as our population ages, more working people will need to care for their family members. Perhaps this is why workers are increasingly willing to take pay cuts or pass up promotions for better work life balance. Work-life conflict also has consequences for business, leading to negative effects on productivity, morale, accuracy, loyalty and turnover.

Paid leave programs, on the other hand, have a host of benefits. They reduce the likelihood that new mothers will fall into poverty¹ and increase household incomes.² They may also reduce the demands on pregnant workers, allowing them to take better care of their health and their families. Earlier this year at a statehouse press conference on the challenges facing women in the workforce, Destiny Faceson from Indianapolis shared her story of working sixteen hour days at a physically demanding job in order to save for her unpaid maternity leave. Being on her feet all day and coming home to care for her young child left her exhausted and drained. Paid leave would make a huge difference for moms like Destiny.

Paid leave also allows fathers to bond with and care for their children. Recent research from Ball State professor Richard Petts found that paternity leave gives fathers opportunities to bond and develop parenting skills, increasing their involvement long-term.³ Families in Indiana should be supported in having this time with their children. At one of our first paid leave listening sessions, a father from Tippecanoe County shared that he missed precious time with his child who was dying of cancer because he was working overtime to keep up with the bills and to allow his wife to be at his son's bedside. No father should be required to make these kinds of sacrifices. Paid leave would allow fathers to be with their families at these critical moments.

State paid leave programs improve the labor force participation of family caregivers.⁴ In our listening session in St. Joseph County, a caregiver shared the exhaustion she felt working full time and caring for her father with Alzheimer's disease. Many in her shoes might have dropped out of the workforce altogether. Paid leave would have allowed her to be both a better caregiver to her father and a better employee.

¹ Stanczyk, A. (2019). Does Paid Family Leave Improve Household Economic Security Following a Birth? Evidence from California. *Social Service Review*, 93(2), 262-304. DOI: 10.1086/703138

² Ibid.

³ Petts, R. J. & Knoester, C. (2018). Paternity Leave-Taking and Father Engagement. *Journal of Marriage and Family*, 80(5), 1144-1162. Doi: 10.1111/jomf.12494

⁴ Saad-Lessler, J., & Bahn, K. (2017, September 27). The Importance of Paid Leave for Caregivers. Retrieved 27 August 2020, from Center for American Progress website: <https://www.americanprogress.org/issues/women/reports/2017/09/27/439684/importance-paid-leavecaregivers/>

When workers do not have the leave they need - most often because they could not afford unpaid leave - they may defer or forego necessary medical treatment.⁵ Others drain their savings or turn to predatory lenders to fill in the gaps. One family from Indianapolis shared with us that while their son was in the NICU, they ran out of paid maternity leave and turned to payday loans to finance more time off work, ultimately putting their home at risk and creating a cycle of debt that was difficult to escape. Paid leave would insulate families like these from debt and predatory lenders.

As one of the only nations on the planet that does not provide paid leave for workers, it is time for the nation to take this step. I hope this comment adds to the conversation and motivates actions. Thank you for the opportunity to submit this comment.

Sincerely,

Erin Macey

Erin Macey
Senior Policy Analyst
Indiana Institute for Working Families

⁵ See Brown, S., Herr, J., Roy, R., & Klerman, J. A. (2020, July). *Employee and Worksite Perspectives of the Family and Medical Leave Act: Results from the 2018 Surveys*, pp. 45-46. Retrieved 27 August 2020, from U.S. Department of Labor website:
https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/WHD_FMLA2018SurveyResults_FinalReport_Aug2020.pdf