

# Paid Family and Medical Leave

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# A National Priority



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## **Paid Family and medical Leave is incredibly popular among voters**

84 percent of likely voters, including 74 percent of Republicans favor adoption of a federal PFML policy

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## **Many would support a federal leave standard even if they'd have to pay more in taxes to sustain it**

69 percent of those polled, including 55 percent of surveyed Republicans

# Current State



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**Approximately 50% of full-time workers have access to paid medical leave (16% of part-time workers)**

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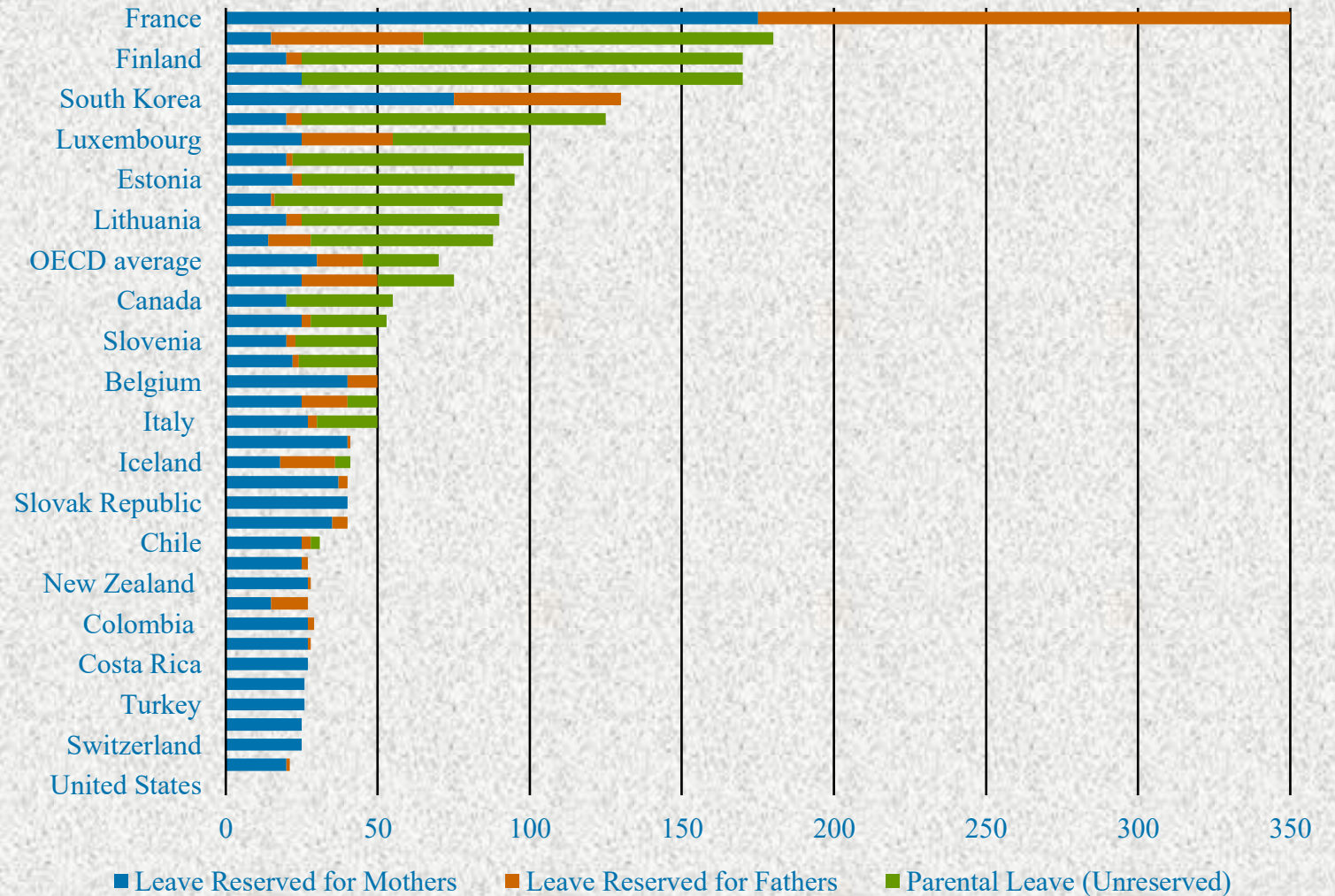
**20% of full-time workers have access to paid family leave (8% of part time workers)**

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The United States is an outlier when it comes to having national paid parental leave policy

## National Paid Parental Leave in OECD countries

Length of leave in weeks. Maternity leave, paternity leave, and most parental leave is a per-child entitlement. In some countries, length of parental leave varies based on the number of children in a family.



# Paid leave gets people back to work



Paid Leave would help unemployed adults return to work sooner

37%

Over one-third of unemployed adults say they would be more likely to return to work sooner if their employer offered paid family and medical leave.

45%

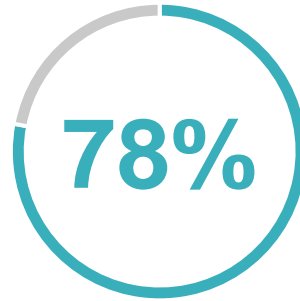
This includes **almost half** of unemployed caregivers.

# Paid leave gets people back to work

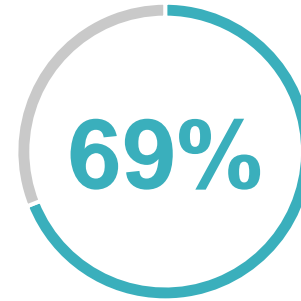
**58%**

Of those who reduced their work hours during the pandemic, **over half** say they would be more likely to increase their hours if their employer offered paid family leave.

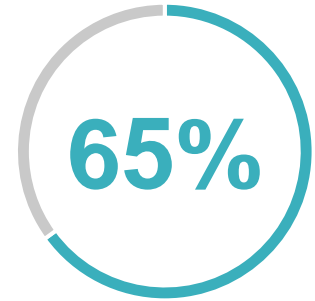
This includes:



of parents



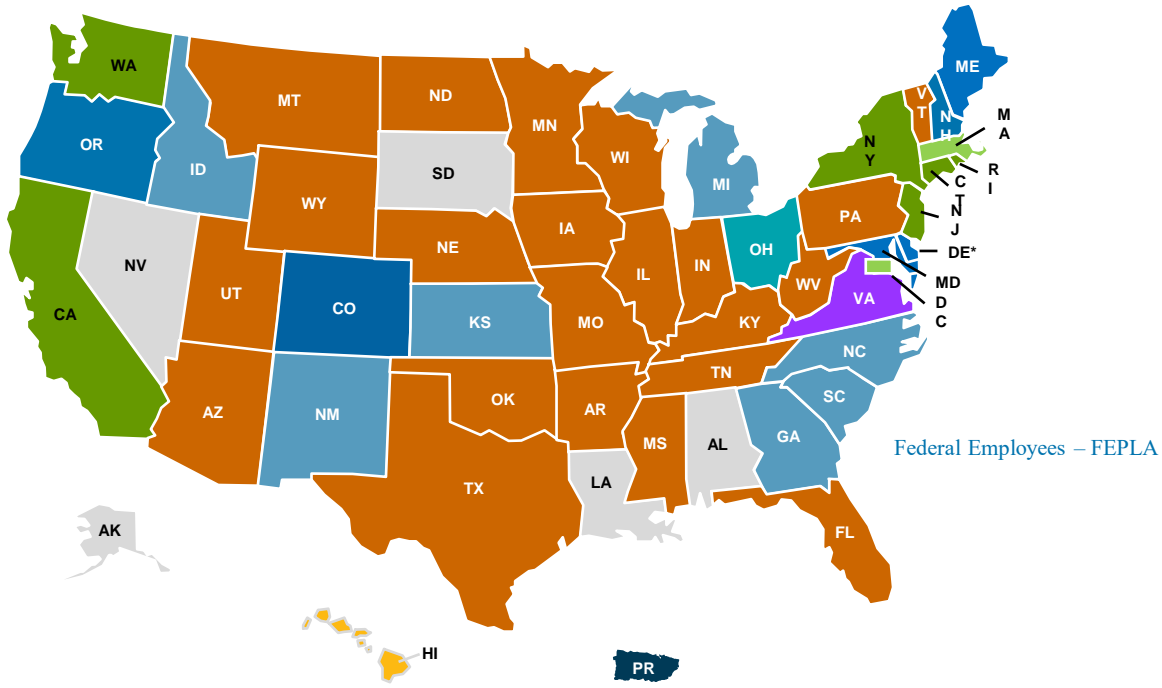
of Hispanic adults



of Black adults

# The Paid Family and Medical Leave Landscape

As of September 1, 2022



## State Status

- 8 Approved and active
- 3 Approved – future start date
- 25 Proposed bill
- 8 Executive orders & Federal Employees
- 1 Proposed bill & Disability Insurance
- 3 Paid Family Leave Model Passed (insurance)
- 1 DI only
- 5 No legislation at this time

## State PFML Programs Vary Greatly

- Most of the 11 states that mandate paid leave require that all employers (not just those with over 50 employees) participate
- Many states allow employers to be exempted from the PFML program funding assessment if they deliver PFML benefits that meets or exceed the state benefit requirements
- State PFML requirements vary greatly creating administrative issues for multi-state employers
  - Family leave typically ranges from 6 – 12 weeks
  - Medical leave can range from 2 to 52 weeks
  - Income replacement ratios range from 50% to 100% depending on income levels
  - maximum benefits range from \$170/week to \$1,252/week



# The importance of the private sector in delivering paid leave benefits

## Active education with states considering PFML to share “What We’ve Learned”

NY – All private sector, separate DI and paid family leave risk pools (the smart way)

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MA – Strong private sector, shared risk, low appeals volume (the right way)

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WA – Little private sector, plan is insolvent, dissatisfaction is very high (the wrong way)

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RI – No private sector, costs are much higher than other states (the expensive way)

## Active engagement with state’s Implementing PFML

Rulemaking comments (OR, CO now; MD, DE, VA soon)

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Input to commissions and policymakers (ME)

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Leveraging leave, absence management, actuarial, and other expertise of our members

ACLI is  
committed to  
continuing the  
fight for good  
PFML policy

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**Continue educating on how the private sector serves workers and their employers' paid leave needs**

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**Public/private partnerships to create new delivery and distribution mechanisms for PFML benefits**

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**Tax supports to help employers deliver access**

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**Explore ideas to help smaller employers fill vacant seats**

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**Encourage states to expand insurance laws to include family leave benefits in insurance offerings**

# Federal paid leave tax credit:

## Fischer Tax Credit extended through 2025

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**Employers of any size can claim the non-refundable paid family leave tax credit if they have an active written policy that provides all qualifying employees access to at least two weeks of leave with at least 50% wage replacement [for FMLA reasons]**

Excluding statutory mandated plans

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**ACLI is promoting enhancements to make it more likely that employers will use the credit to expand access to PFML benefits**

# Questions?

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