

September 14, 2020

Ms. 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,

True North Research is 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 are a watchdog group dedicated to advancing the truth in public policy debates and exposing special interests distorting our democracy, including corporate-funded front groups that are thwarting popular, common sense efforts to ensure Americans can take paid time off when they get sick, need health care, or need to help a parent, partner, or child who is sick or needs medical care.

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.”

Although it is not mentioned in the RFI, there is already a vast wealth of information documenting the adverse consequences of not having paid family and medical leave and the benefits of state programs that provide it. DOL itself supported several illuminating studies on paid leave program design and implementation through the innovative Paid Leave Analysis Grant Program administered by the Women's Bureau and the Chief Evaluation Office-Funded Worker Leave studies. The overwhelming weight of the research is clear: the private sector as a whole has failed to solve the paid leave crisis faced by American workers, and publicly funded social insurance represents the only viable path forward. The deadly pandemic we are facing underscores that we need a public solution to this widespread public problem.

I. Paid Family and Medical Leave Must Work for All Workers

At some point in their lives, nearly every working person will welcome a new child, deal with their own serious health issue or need to help care for a seriously ill, injured or disabled loved one. Yet despite some progress, most people still do not have the security they need to take time away from their jobs to deal with the human reality that everybody gets sick. Millions of people are forced to choose between their pay and their ability to care for themselves or their families. The reality is especially stark for people of color in America and for low-wage workers of all races, who face the greatest disparities in their ability to access paid leave. The lack of paid leave costs U.S. workers and their families \$22.5 billion each year in lost wages alone.¹

Evidence from the states with paid leave programs shows that to truly meet the needs of working people, a paid family and medical leave program must meet certain basic standards:

¹ Glynn, S. J. (2020, January 21). *The Rising Cost of Inaction on Work-Family Policies*. Retrieved 27 August 2020 from Center for American Progress website: <https://www.americanprogress.org/issues/women/news/2020/01/21/479555/rising-cost-inaction-work-family-policies/>

- It must be comprehensive by allowing leave for all FMLA-covered events, particularly as our nation ages and the shortage of paid caregivers means more working people are called upon to care for their aging family members.
- It must provide the same amount of leave regardless of a worker's gender.
- It must replace individuals' wages at an adequate level so that people can actually afford to take time off, as well as a meaningful duration of leave, so that people have enough time to meet their family or medical needs.
- It must allow leave to care for an inclusive range of family members to accurately reflect the way our families really live, not just a 1950's version of the "nuclear" family but also multi-generational homes, families of color, immigrant families, and LGBTQIA families.
- It must guarantee job protection so that people can take the time off they need and that is provided by law without having to worry if they still have a job when they return.
- And it must be funded affordably and sustainably, without cutting other essential programs that working Americans need.

The RFI describes family leave as leave to "[care] for the employee's spouse, child, or parent who has a serious health condition." By limiting its request to only ask about spouses, children, and parents, the RFI misses the reality of caregiving – namely, that families come in all shapes and sizes, and that familial caregiving transcends the boundaries of blood, age, and legal formality.

According to the most recent DOL-commissioned study of the Family and Medical Leave Act, nearly one in five leaves taken for family caregiving purposes is to care for an individual not covered under the FMLA's limited definition of "family member."² All nine states (including the District of Columbia) that have enacted paid leave allow leave to care for a more inclusive range of family members that more accurately reflects the lived realities of workers and their families. The RFI's restrictive description of "family" especially leaves out caring for beloved grandparents, aunts, and uncles and it may leave out cohabiting partners and chosen families who reside together. American families devoted to one another and their stories are essential to the inquiry on which DOL is embarking.

The leader of True North Research, Lisa Graves, was diagnosed with cancer seven years ago. She was able to take paid leave for six months while getting medical treatment and to begin her recovery. That was due to the health care provisions approved by the Board of Directors of the Center for Media and Democracy, the group she had led for more than three years at that time. Facing that diagnosis was daunting, but it is fundamentally inhuman and inhumane to add to that enormous challenge having to worry about whether you will be able to keep your job--which most people's health insurance is tied to--and have income to pay your mortgage or rent and other necessities. She was lucky to have a supportive employer, but it should be a requirement of law, not a matter of grace. She has had dear friends who had to work after surgery to remove a cancerous tumor to keep their jobs and keep a roof over their hand as they fought for their lives. Access to paid leave when you are sick should not be dependent on the whim or caprice of an employer; it should be required by law to help protect the lives of all Americans.

II. A Publicly Run Paid Leave Program Is the Best Option for Workers and Businesses

Paid family and medical leave has been shown to reap significant benefits for employers in the forms of worker retention, productivity, loyalty, morale, and competitiveness. As a testament to these benefits,

² Brown, S., Herr, J., Roy, R., & Klerman, J. A. (2020, July). *Employee and Worksite Perspectives of the Family and Medical Leave Act: Supplemental Results from the 2018 Surveys* (Exhibit B4-3). Retrieved 27 August 2020, from U.S. Department of Labor website: https://www.dol.gov/sites/dolgov/files/OASP/evaluation/pdf/WHF_FMLA2018SurveyResults_Appendices_Aug2020.pdf

over the past few years, more than one hundred large brand-name businesses have introduced or expanded their paid leave policies to recognize the needs of their workforce and the benefits to their bottom line.

Yet even with these developments, access to paid leave remains critically low, and has improved at a glacial pace for the majority of workers. Nationwide, just 19 percent of the workforce has paid family leave through their employers, and only about 40 percent of workers have personal medical leave through an employer-provided disability program.³

The numbers for access are even more dismal for workers with the lowest wages, part-time workers, and small business employees – the very workers who would benefit the most from paid leave. In fact, access to paid family leave for the lowest-income workers has increased by just 2 percentage points in the last 7 years, to a paltry 5 percent in 2019.⁴ This was even after the enactment in 2017 of tax credits intended to incentivize employers to offer paid leave; such tax credits plainly do not work and are no substitute for a legal standard that benefits all. These low access rates and minimal progress prove that private sector policies alone are insufficient to solve our nation’s paid leave crisis. Too few businesses are adopting paid leave policies, and those that do often limit access to only their highest paid, white-collar employees.

Fortunately, a more universal model already exists and is proven to work. Nine states, including the District of Columbia, have enacted paid family and medical leave social insurance programs. Under this model, employees and/or employers contribute a tiny percentage of their wages into a public fund, out of which benefits are paid as a percentage of an employee’s wages. This ensures that employees can access leave regardless of their employer, position, or part-time/full-time status – meaning that the workers most in need of leave can access it. It also eliminates employers’ large up-front costs of providing paid leave out of their own pockets – which is especially important for small businesses, who otherwise might not be able to afford this benefit and without which make it harder to compete with large businesses for the best employees. Polls of small businesses repeatedly demonstrate overwhelming support for a national paid leave policy structured as social insurance, and hundreds of small businesses have endorsed federal paid family and medical leave legislation.

As the Center for Media and Democracy reported in 2016, an internal survey of 1,000 C-suite executives conducted by LuntzGlobal found strong business support for paid leave policies. 73 percent of current or prospective local Chamber members supported paid sick days, 72 percent supported increased maternity leave and 82 percent supported increased paternity leave. These paid leave policies were so popular that local Chamber affiliates lobbyists were coached on how to overcome their members “empathy.”⁵

III. Research Demonstrates the Clear Benefits of Public Paid Leave Programs for Workers and Businesses

Research from public paid family leave programs has demonstrated that working families with paid leave are more economically secure and more able to manage work and family responsibilities.

³ U.S. Bureau of Labor Statistics. (2019, September). *National Compensation Survey: Employee Benefits in the United States, March 2019* (Table 16, Table 31). Retrieved 27 August 2020, from <https://www.bls.gov/ncs/ebs/benefits/2019/employee-benefits-in-the-united-states-march-2019.pdf>

⁴ See note 1; U.S. Bureau of Labor Statistics. (2012). *National Compensation Survey: Employee Benefits in the United States, March 2012* (Table 32). Retrieved August 27 2020, from <https://www.bls.gov/ncs/ebs/benefits/2012/ebbl0050.pdf>

⁵ Center for Media and Democracy. “Exposed: Most CEOs Support Paid Sick Leave, Increased Minimum Wage, and More But Chamber Lobbyists Told How to “Combat” These Measures” April 2016 <https://www.prwatch.org/news/2016/04/13075/top-gop-pollster-chamber-commerce-lobbyists-poll-shows-your-members-support>

For example, parents in California and Rhode Island reported that paid leave improved their ability to arrange child care.⁶ State paid leave programs improve the labor force participation of family caregivers,⁷ reduce the likelihood that new mothers will fall into poverty,⁸ and increase household incomes.⁹

The research also shows wide-ranging impacts on public health of having and not having access to paid leave:

- 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.¹⁰
- Paid medical leave has been shown to help cancer patients manage their treatment and side effects.¹¹
- For babies and young children, paid leave provides time to establish a strong bond with parents during the first months of life, increases rates and duration of breastfeeding,¹² supports fathers' involvement in care,¹³ improves rates of on-time vaccination,¹⁴ reduces infant hospital admissions,¹⁵ and reduces probabilities of having ADHD, hearing problems or recurrent ear infections.¹⁶
- Paid leave may also help prevent child maltreatment by reducing risk factors, such as family and maternal stress and depression.¹⁷
- Paid leave reduces the odds of a new mother experiencing symptoms of postpartum depression¹⁸ and is associated with improvements in new mothers' health.¹⁹

⁶ Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press; Silver, B., Mederer, H., & Djurdjevic, E. (2015). *Launching the Rhode Island Temporary Caregiver Insurance Program (TCI): Employee Experiences One Year Later*. Rhode Island Department of Labor and Training and University of Rhode Island. Retrieved 27 August 2020, from <https://web.uri.edu/ssirep/files/RI-Paid-Leave-Final-Report-April-2016.pdf>

⁷ 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/>

⁸ 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

⁹ Ibid.

¹⁰ 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/WHI_FMLA2018SurveyResults_FinalReport_Aug2020.pdf

¹¹ Harrington, E., & McInturff, B. (2017). *Key Findings -- National Surveys of Cancer Patients, Survivors, and Caregivers*. American Cancer Society Cancer Action Network Publication. Retrieved 27 August 2020, from: <https://www.fightcancer.org/sites/default/files/ACS%20CAN%20Paid%20Leave%20Surveys%20Key%20Findings%20Press%20Memo%20FINAL.pdf>. The results of this survey strongly suggest that other workers with chronic or serious illnesses will have better access to treatment and care when they are able to take paid time off from work.

¹² Hamad, R., Modrek, S., & White, J. S. (2019). Paid Family Leave Effects on Breastfeeding: A Quasi-Experimental Study of US Policies. *American Journal of Public Health*, 109(1): 164-166. DOI: 10.2105/AJPH.2018.304693

¹³ Lamb, M. (2004). *The role of the father in child development*, 4th ed. (pp. 1-18, 309-313). Hoboken, NJ: John Wiley & Sons, Inc.; Smith, K. (2015). *After the Great Recession, More Married Fathers Providing Child Care*. Carsey School of Public Policy. Retrieved 27 August 2020, from <https://scholars.unh.edu/cgi/viewcontent.cgi?article=1233&context=carsey>

¹⁴ Choudhury, A. R., & Polachek, S. W. (2019, July). The Impact of Paid Family Leave on the Timing of Infant Vaccinations. *I. Z. A. Institute of Labor Economics*. Retrieved 27 August 2020, from <http://ftp.iza.org/dp12483.pdf>

¹⁵ Pihl, A. M., & Basso, G. (2018). Did California Paid Family Leave Impact Infant Health? *Journal of Policy Analysis and Management*, 38(1), 155-180. DOI: 10.1002/pam.22101

¹⁶ Lichtman-Sadot, S., & Pillay Bell, N. (2017). Child Health in Elementary School Following California's Paid Family Leave Program. *Journal of Policy Analysis and Management*, 36(4), 790-827. DOI: 10.1002/pam.22012

¹⁷ Klevens, J., Luo, F., Xu, L., Peterson, C., Latzman, N. (2016). Paid family leave's effect on hospital admissions for pediatric abusive head trauma. *Injury Prevention*, 22, 442-445. DOI: 10.1136/injuryprev-2015-041702

¹⁸ Chatterji, P., & Sara Markowitz, S. (2008). *Family Leave After Childbirth and the Health of New Mothers*. Retrieved 27 August 2020, from National Bureau of Economic Research website: <http://www.nber.org/papers/w14156>; Kornfeind, K. R., & Sipsma, H. L. (2018). Exploring the Link between Maternity Leave and Postpartum Depression. *Women's Health Issues*, 28(4), 321-326. DOI: 10.1016/j.whi.2018.03.008

¹⁹ Pal, I. (2016). *Work, Family and Social Policy in the United States - Implications for Women's Wages and Wellbeing*. Doctoral thesis, Columbia University. DOI: 10.7916/D87W6C74

- In California, implementing paid family leave was linked to an 11 percent relative decline in elderly nursing home usage.²⁰

Meanwhile, employers have adapted well to state paid leave programs.

The California Society for Human Resource Management, a trade group that initially opposed California's paid family leave law, declared that the law is less onerous than expected, and few businesses in their research reported challenges resulting from workers taking leave.²¹ In New Jersey, the majority of both small and large businesses say they have adjusted easily.²² Just one year after implementation of New York's paid family leave program, 93 percent of employers were in compliance with the new law.²³

Additionally, state paid leave programs provide a model that works for small businesses. The majority of small business owners support the creation of family and medical leave insurance programs at the state and federal levels, as these programs make the benefit affordable, reduce business costs, increase their competitiveness and can allow small business owners themselves to take paid leave when the need arises.²⁴

The vast majority of California employers reported a positive or neutral effect on employee productivity, profitability and performance.²⁵ Although most employers of all sizes report positive or neutral outcomes associated with paid leave, California small businesses reported more positive or neutral outcomes than large businesses in profitability, productivity, retention and employee morale.²⁶ A New Jersey survey found that, regardless of size, New Jersey businesses say they have had little trouble adjusting to the state's law.²⁷ Firm-level analysis of employers in California before and after paid family leave was implemented confirmed that for the average firm, wage costs had not increased and turnover rates had decreased.²⁸

²⁰ Arora, K., & Wolf, D. A. (2017, November 3). Does Paid Family Leave Reduce Nursing Home Use? The California Experience. *Journal of Policy Analysis and Management*, 37(1), 38-62. DOI: 10.1002/pam.22038

²¹ Redmond, J., & Fkias, E. (2010, January). *California's Paid Family Leave Act Is Less Onerous Than Predicted*. Society for Human Resources Management Publication. Retrieved 27 August 2020, from https://www.sheppardmullin.com/media/article/809_CA%20Paid%20Family%20Leave%20Act%20Is%20Less%20Onerous%20Than%20Predicted.pdf

²² Ramirez, M. (2012). *The Impact of Paid Family Leave on New Jersey Businesses*. New Jersey Business and Industry Association and Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey Presentation. Retrieved 27 August 2020, from <https://bloustein.rutgers.edu/wp-content/uploads/2012/03/Ramirez.pdf>

²³ Office of Governor Andrew C. Cuomo. (2019, August 13). *New York State Paid Family Leave: 2018 Year in Review*. Retrieved 27 August 2020, from https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/PFL_EOYReport_2018_FINAL.pdf

²⁴ Rouzer, S. (2017, February 7). *New Report: Small Business Owners Support Paid Family Leave, FAMILY Act*. Retrieved 27 August 2020, from Main Street Alliance website: http://www.mainstreetalliance.org/small_business_owners_support_family_act; Small Business Majority & Center for American Progress. (2017, March 30). *Small Businesses Support Paid Family Leave Programs*. Retrieved 27 August 2020, from <http://www.smallbusinessmajority.org/our-research/workforce/small-businesses-support-paidfamily-leave-programs>; Mason, J. (2019, August). *Meeting the Promise of Paid Leave: Best Practices in State Paid Leave Implementation*. Retrieved 27 August 2020, from <http://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/meeting-the-promise-of-paid-leave.pdf>

²⁵ Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press; Bartel, A., Baum, C., Rossin-Slater, M., Ruhm, C., & Waldfogel, J. (2014, June 23). *California's Paid Family Leave Law: Lessons from the First Decade*. Retrieved 20 August 2019, from U.S. Department of Labor website: <http://www.dol.gov/asp/evaluation/reports/PaidLeaveDeliverable.pdf>

²⁶ Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press

²⁷ Ramirez, M. (2012). *The Impact of Paid Family Leave on New Jersey Businesses*. New Jersey Business and Industry Association and Bloustein School of Planning and Public Policy at Rutgers, The State University of New Jersey Presentation. Retrieved 20 August 2019, from <http://bloustein.rutgers.edu/wpcontent/uploads/2012/03/Ramirez.pdf>

²⁸ Bedard, K., & Rossin-Slater, M. (2016, October 13). *The Economic and Social Impacts of Paid Family Leave in California: Report for the California Employment Development Department*. Retrieved 27 August 2020, from https://www.edd.ca.gov/disability/pdf/PFL_Economic_and_Social_Impact_Study.pdf

Workers in lower-wage jobs who used the state paid leave program reported returning to work nearly 10 percent more than workers who did not use the program.²⁹ Women who take a paid leave are 93 percent more likely to be in the workforce nine to 12 months after giving birth than women who take no leave.³⁰ In multiple studies, New Jersey employers have noted that the state’s paid leave program is beneficial for employees and manageable for employers.³¹

IV. Corporate-Funded Groups Have Sought to Undermine Social Security Under the Guise of Paid Parental Leave

We also feel obligated to urge the Department of Labor to be wary of the claims about paid leave made by a pay-to-play group that calls itself the Independent Women’s Forum (IWF) and Independent Women’s Voice (IWF).

In 2018, IWF started peddling a so-called “earned leave” policy, which they initially branded “Social Security Paid Leave” or SSPL.

Under this scheme, new parents could “borrow” from the Social Security Trust Fund to have some income for up to three months after the birth or adoption of a child. This is *not* paid Family and Medical Leave and it is not Earned Sick Leave. It is a deeply flawed proposal that attempts to substitute an inadequate remedy for a real problem that has a real solution that is also widely popular. As IWF representatives have told right-wing state legislators attending the conferences of the corporate bill mill known as ALEC, the American Legislative Exchange Council, the bill is designed to give so-called “conservatives” something to be “for,” given the growing demands for actual paid family and medical leave.

The following year multiple bills were proposed relying on this flawed framework and very limited reach. The essence of this stratagem is to have the government pass a program they can call paid leave but that does not actually provide paid leave, that applies only to new parents, that provides no funding from the government or corporations to fund it, and is actually a loan. Its effect would be to allow unprecedented borrowing from the Social Security Trust Fund now in exchange for future payments decades into the future in the form of requiring parents who use the loan to work longer when they are older, postponing when they can retire and begin receiving Social Security Insurance benefits, if they live that long.

Like a bait-and-switch, the IWF/IWV ploy would have the effect of punishing the primary users of parental leave--women--by making them work longer when they are senior citizens, even though most women receive lower Social Security benefits due to the pay gap and despite the unequal distribution of child care responsibilities in many homes. Notably, IWF and IWV infamously claim that the pay gap does not exist. But, in fact, the lack of paid family leave is a major factor behind the gender wage gap in the U.S. According to the Institute for Women’s Policy Research, “Over a 15-year period, women are paid just 49 cents to the typical man’s dollar, in large part due to time spent out of the labor force.”³² In

²⁹ Appelbaum, E., & Milkman, R. (2013). *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*. Ithaca, NY: Cornell University Press

³⁰ Houser, L., & Vartanian, T. P. (2012, January). *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*. Center for Women and Work at Rutgers The State University of New Jersey Publication. Retrieved 27 August 2020, from <https://www.nationalpartnership.org/our-work/resources/economic-justice/other/pay-matters.pdf>

³¹ Lerner, S., & Appelbaum, E. (2014, June). *Business As Usual: New Jersey Employers’ Experiences with Family Leave Insurance*. Retrieved 27 August 2020, from Center for Economic and Policy Research website: <http://www.cepr.net/documents/nj-fli-2014-06.pdf>; Mason, J. (2019, August). *Meeting the Promise of Paid Leave: Best Practices in State Paid Leave Implementation*. Retrieved 27 August 2020, from <http://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/meeting-the-promise-of-paid-leave.pdf>

³² Rose, S. J., & Hartmann, H. (2018, November 26). Still a Man’s Labor Market: The Slowly Narrowing Gender Wage Gap. Retrieved 19

contrast, new mothers who have access to paid leave are much more likely to stay in the workforce and are 54 percent more likely to report wage increases.³³

Although IWF/IWV describe their “earned leave” as simply a conservative approach to paid leave, the reality behind the measure is that it is part of the group’s long-standing effort to undermine Social Security and eventually privatize those benefits. IWF President Carrie Lukas alluded to as much while describing the gambit in *Forbes* in 2018, “This approach could encourage an important mental shift with lasting implications for government’s safety nets more broadly. This could include how Americans think about Social Security, which has long been considered the untouchable third rail of politics.”³⁴ The agenda of privatizing Social Security and other safety nets is a common theme of groups funded by billionaire Charles Koch, like IWF.

In sum, the IWF/IWV ploy would block genuine paid leave funded by a tiny tax and government funding, while forcing new parents in states without a paid leave program to 1) get hired by one of the minority of companies that provide such paid leave; 2) accept a retirement penalty in return for a loan for some leave time; 3) borrow from the new child’s wealthy grandparents, if that is possible; or 4) stay home with a new child and lose income at a time of increased expenses. And if you need paid family or medical leave because you get a serious illness and not a newborn, good luck to you.

The IWF/IWV gimmick would be both a terrible public policy and destructive precedent. It would represent the first major step toward privatizing Social Security. It would undermine that popular public insurance program by allowing up to 8 million people to borrow from it each year (the parents of the 3.8 million newborns and 130K adopted children), and other carve-outs that would undermine the fund would likely be pushed to follow suit.

The Center for Budget and Policy Priorities had noted that the proposal would mean workers who use the benefits would also face a permanent cut to their Social Security benefits that exceeds their leave benefit. “The cuts would amount to their parental leave benefits plus interest, as well as an additional reduction to cover the cost of the parental benefits provided to other parents who die or become disabled before they reach retirement and can’t repay their own leave benefits.”³⁵

Moreover, many Americans face severe financial hardship when they retire. The average Social Security retirement payment amounts to about \$18,000 a year, barely covering living expenses for millions of retired Americans. The benefit clearly needs to be strengthened, not weakened. Prior to the pandemic, more and more people are working later than ever in the U.S., not because they enjoy it, but because it is necessary in a time when wages are low. A recent study found that over 40 percent of middle class Americans risk facing poverty after retirement.³⁶ Forcing workers to retire later in exchange for a loan after the birth or adoption of a child amounts to an additional benefit cut to an already strained system that needs to do more, not less for most Americans.

March 2020 from Institute for Women’s Policy Research website: <https://iwpr.org/publications/still-mans-labor-market/>

³³ Houser, L., & Vartanian, T. P. (2012, January). Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public. Center for Women and Work at Rutgers, the State University of New Jersey Publication. Retrieved 19 March 2020, from <https://www.nationalpartnership.org/our-work/resources/economic-justice/other/pay-matters.pdf>

³⁴ Carrie Lukas, Why Running Parent Leave Through Social Security Is The Smartest Live Option,” *Forbes*, February 2, 2018. <https://thefederalist.com/2018/02/02/running-parent-leave-social-security-smartest-live-option/>

³⁵ Kathleen Romig and Kathleen Bryant, “Cutting Social Security to Offset Paid Parental Leave Would Weaken Retirement Security,” Center for Budget and Policy Priorities, September 12, 2019. <https://www.cbpp.org/research/social-security/cutting-social-security-to-offset-paid-parental-leave-would-weaken>

³⁶ Teresa Ghilarducci, “40% OF OLDER WORKERS AND THEIR SPOUSES WILL EXPERIENCE DOWNWARD MOBILITY IN RETIREMENT” The New School, October 2018. <https://www.cnbc.com/2018/10/12/40percent-of-american-middle-class-face-poverty-in-retirement-study-says.html>

Notably, IWF/IWV accept funding from corporations without disclosure to the public when writing about issues that advance the bottom-line of those corporations, as with its advocacy against new vaping regulations while receiving money from Juul.³⁷ Another example is one of its major funders is the Ariel Foundation, which was created from the fortune of one of the largest fracked gas compressor companies in the U.S.—and IWF has routinely attacked citizen concerns about the dangers caused by fracking. Investigative work has also revealed that IWF/V gets funding from oil billionaire Charles Koch’s groups, including Americans for Prosperity, which was previously operated jointly and co-located with IWF, when both groups were led by a former top lobbyist for Koch Industries, who has since returned to aid the corporation and billionaire’s PR efforts. Its biggest funder in recent years has been the Judicial Crisis Network, which has been primarily funded by shell groups that have used secret sources to try to pack our courts with people who are demonstrably biased against the rights of women.

V. IWF/IWV’s Other “Alternatives” to Paid Leave Are Also Totally Inadequate

The other so-called “solutions” to the need for paid family and medical leaving pushed by IWF and IWV are also terrible ideas that are also seriously impractical for most workers, especially for women.

For example, IWF/IWV suggests that hardworking Americans caring for their families work “overtime” to get paid family leave rather than get a payroll deduction that amounts to \$5 a week for a typical worker. It is difficult to believe that any working American would rationally choose to work more hours a week rather than have paid leave protections for less than the weekly cost of a cup of coffee. If paid family and medical leave were provided to all workers, there would not be as much of a need to bank overtime or share unused leave with sick co-workers.

IWF/IWV also assert that instead of the kind of paid family and medical leave and universal insurance program that is proposed in the FAMILY Act, Americans trying to make ends meet should somehow put enough money in a Personal Care Account to cover the income they would lose if they or their loved ones get seriously ill. It would seem obvious to anyone who is not paid by IWF/IWV to peddle such non-solutions that paying for the lost wages and related expenses of a serious illness is not the same as setting aside a couple hundreds tax-free dollars to cover prescription glasses or contact lenses. Perhaps, IWF/IWV is out of touch because it is normal for it to pay its leader, who is the heir to the Vicks VapoRub fortune, a bonus of \$100K per year, on top of her six-figure salary for leading IWV.

VI. The FAMILY Act Would Not Displace Good Private Paid Leave Benefits

The FAMILY Act would bring the flexibility of paid leave to families across the U.S. and leave employers and employees free to negotiate more robust paid leave packages.

Despite claims by IWF/IWV, which seem to rely on some polling that women want “flexibility,” the reality is the FAMILY Act does nothing to limit a woman’s ability to negotiate flexible working hours or location. Those matters are outside the scope of the measure which, instead, focuses on ensuring that workers can access up to 12 weeks of paid leave to care for seriously ill or injured kin, regardless of whether the worker who gets those benefits has a flexible schedule. Plus, the pandemic has utterly changed the culture of work in terms of the viability of working from home, although it has also underscored the need for greater support for child care arrangements and the importance and benefits of supporting public education systems.

³⁷ Evan Vorpahl and Lisa Graves, “Juul Deploying Big Tobacco Playbook to Preempt Local Control” *Republic Report*, October 2019. <https://www.republicreport.org/2019/juul-deploying-big-tobacco-playbook-to-preempt-local-control/>

IWF/IWV also routinely posit another false choice in asserting that employers would reduce their paid leave programs and “force workers into the state government system.” That is another distorted casting of the FAMILY Act to try to scare workers with claims that are not true.

Under the plain language of the proposal, all workers would be covered by the program, which would make sure they get a set amount of compensation for each week they must be away from work to care for a seriously sick child, partner, or parent. An employer is free to provide additional benefits, but an employer cannot provide less than those 12 weeks of paid leave per year for a worker who has a health crisis to attend to. Under the measure, there’s no scenario in which an employer “forces” workers into a government system; instead, all eligible workers get the protections of the program and cannot be fired for using the benefits they need.

VII. Paid Leave Is a Benefit All Workers Can Take Advantage of, Not Just New Parents

Incredibly, in other settings IWF/IWV have also asserted that a paid leave program is unfair for “childless workers, older workers, and families with a stay-at-home parent” by forcing them to subsidize those who use the program. This claim represents a grave misunderstanding of what the FAMILY Act does.

Childless workers and older workers may have spouses or parents who become gravely ill or need hospice care, and so can families with a parent who stays at home. Unlike IWF/IWV’s myopic view on paid leave as only needed for new parents, the FAMILY Act is much broader and encompasses leave for situations that virtually 100% of workers will face in their lifetime.

The FAMILY Act also addresses the reality of people’s real lives--which is that almost every family suffers from a child, spouse, or parent who gets seriously ill at some point and every family still needs a job and income to live while dealing with the demands and stress of a serious health crisis. It is absurd and insulting and exceedingly narrow-minded for IWF/IWV to claim the proposal is unfair to people who do not have infants just because it would also be used by people who choose to have or adopt children.

VIII. Paid Family and Medical Leave and Paid Sick Leave Policies Would Help Combat the Coronavirus Pandemic

The lack of adequate paid sick leave in the United States during an unprecedented global pandemic poses grave risks to the public health. In March the Families First Coronavirus Response Act and the CARES Act provided millions of workers with two weeks of job-protected paid sick days, a step in the right direction, but still over 59 million workers were blocked from accessing emergency paid sick days because of a lobbying push from the Chamber of Commerce and NFIB and other corporate interests who succeeded in carving out an exemption for businesses with 500 or more employees. Another 34 million workers’ rights are under threat as the law permits the DOL to exempt businesses with under 50 employees from providing emergency paid sick as well as potential exemptions for certain healthcare providers, workers who are often most at risk of exposure to coronavirus.

According to CDC guidance an important step one must do if they are feeling ill is stay home, however the lack of adequate paid leave for many works makes that an unaffordable option. Americans need access to paid time off from work in order to ensure that they can stay home and not spread this deadly virus.

- A 2010 survey by National Opinion Research found that workers without paid sick are one and a half times more likely to show up to work sick than workers with the benefits.³⁸
- A 2018 study of U.S. cities that implemented paid sick leave requirements in the 2000s experienced up to a 40% decrease in flu rates the following year.³⁹
- Other studies have shown that paid sick leave was effective in slowing the spread of influenza-like illnesses during the H1N1 pandemic. One study estimated that lack of paid sick increased flu cases by up to 5 million, “federal mandates for sick leave could have significant health impacts by reducing morbidity from ILI.”⁴⁰

* * *

The evidence is overwhelming: paid leave is a win-win for Americans and for businesses, and the most equitable, sustainable model for paid leave is a national, publicly run social insurance program that builds on the innovation that states have pioneered.

Thank you for the opportunity to submit this comment. If you have any questions, please contact Evan Vorpahl, evan@truenorthresearch.org.

Sincerely,

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³⁸ Dr. Tom W. Smith and Jibum Kim “Paid Sick Days: Attitudes and Experiences” NORC/University of Chicago, June 2010. <https://web.archive.org/web/20200622043140/https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-sick-days/paid-sick-days-attitudes-and-experiences.pdf>

³⁹ Pichler, S and N R Ziebarth (2017), “The pros and cons of sick pay schemes: Testing for contagious presenteeism and noncontagious absenteeism behavior”, *Journal of Public Economics* 156: 14-33.

⁴⁰ Supriya Kumar PhD, MPH, Sandra Crouse Quinn PhD, Kevin H. Kim PhD, Laura H. Daniel PhD, and Vicki S. Freimuth PHD. “The Impact of Workplace Policies and Other Social Factors on Self-Reported Influenza-Like Illness Incidence During the 2009 H1N1 Pandemic” *American Journal of Public Health*, May 21, 2011. <https://ajph.aphapublications.org/doi/abs/10.2105/AJPH.2011.300307>