Introduction

Employee leave benefits generally fall into four categories: parental, family care, medical and sick leave. Parental leave is commonly synonymous with maternity and paternity leave, or time away from employment to care for and bond with a new child at or around the time of childbirth or adopting or fostering a new child. Family care leave is time away from a job to care for a family member with a serious health condition. Medical leave is to attend to one’s own serious health condition, and sick leave is time away from work to recover from a less severe, short-term medical condition.

Each of these types of leave can be paid or unpaid, depending on a combination of public and employer policies. Less than 20% of the U.S. workforce had access to paid leave of any type while close to 90% had access to some type of unpaid leave in 2018, according to the U.S. Bureau of Labor Statistics. Notably, 16% of private industry workers and 25% of state and local government workers had access to paid leave, while 88% of private industry workers and 94% of state and local government workers had access to unpaid leave, with some employers offering both.

The United States is the only developed nation without a national paid leave policy. The federal Family and Medical Leave Act (FMLA) of 1993 offers 12 weeks of unpaid, job-protected leave to care for newborns or seriously ill family members. Employees who have worked at least a year for an employer with at least 50 employees are eligible for FMLA. While these protections cover 60% of the workforce, about half of eligible employees do not take leave because they cannot afford it. Among low-wage and hourly workers, access to employer-provided paid leave is even less likely, which has a disproportionate effect on people of color.

Paid leave has garnered national attention and bipartisan congressional support in recent years. The New Parents Act of 2019 (SB 920), sponsored by Senator Marco Rubio (R-Fla.), would create a voluntary option for paid parental leave by allowing parents to use a portion of their Social Security after the birth or adoption of a child, for up to three months. Senator Kirsten E. Gillibrand (D-N.Y.) introduced the Federal Family and Medical Insurance Leave Act (SB 463) in 2019. The act would create an insurance program to provide up to 12 weeks of paid leave to recover from a serious illness or to care for a new child or seriously ill family member.

In the absence of a federal policy, eight states—California, Connecticut, Massachusetts, New Jersey, New York, Oregon, Rhode Island and Washington—and the District of Columbia have enacted paid family and medical leave legislation. At least 25 other states have introduced paid leave legislation during the last two years.
In states with paid leave laws, funding mechanisms include employee payroll taxes, employer contributions or a mix of the two. The length of leave varies by state from four to 14 weeks. The weekly maximum benefit also varies, ranging from $860 in New Jersey to $1,300 in California. In all cases, paid leave for the birth, adoption or placement of a foster child is a qualifying event.

Among the general population, a majority of Democrats, Republicans and independents support mandatory paid leave policies. They differ, however, in their views about the types and length of leave, how it should be funded, and whether the policy is a decision for businesses or government.

Proponents of paid parental leave—again, generally thought of as maternity and paternity leave—argue that mandatory paid leave allows parents the time and financial ability to be with their child during this essential developmental period. Research also indicates that paid leave promotes positive maternal and child health outcomes and decreases maternal and infant mortality. They also assert that paid leave keeps mothers connected to the workforce, which has positive economic implications.

Opponents of paid leave policies generally do not dispute these facts; rather, they disagree on matters of personal responsibility, the role of government and how to pay for it. Some argue paid leave policies are also anti-business and particularly burdensome for small businesses.

While policymakers settle their differences, parents of all or no political persuasions will continue to be confronted with deciding what is best for their child—staying home during a period of rapid development or maintaining some level of economic security for their family. According to the most recent National Survey of Family Growth from the Centers for Disease Control and Prevention (CDC), approximately one-third of employed women do not take any maternity leave after giving birth and nearly one in four new mothers who take leave return to work within two weeks.

This brief focuses on paid leave policies and their relationship with child well-being and parenting, regardless of what they are called or how they are bundled with other types of leave. In reality, many parents and caregivers weave together maternity or paternity leave with family and medical leave—and in some cases personal, sick or vacation days and short-term disability—to care for young children.

The Child Development Case

Babies are born learning, and their first few years of life are critical for healthy development. In this period of rapid brain development, more than 1 million new neural connections form every second.

These early years of life form a foundation for all that follows, setting babies on a life trajectory that can be positive or negative. Babies who grow up in a safe environment with adequate nutrition and consistent, supportive, responsive and nurturing caregivers reap developmental benefits immediately. Long-term outcomes include better health, higher levels of educational achievement and greater financial well-being as adults.

<table>
<thead>
<tr>
<th>Type of Leave</th>
<th>Purpose of Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parental (including maternity and paternity leave)</td>
<td>To care for and bond with a child at or around the time of childbirth or the adoption or fostering a new child</td>
</tr>
<tr>
<td>Family Care</td>
<td>To care for a family member (usually an immediate family member with a serious health condition)</td>
</tr>
<tr>
<td>Medical</td>
<td>To attend to one’s own serious health condition (such as cancer)</td>
</tr>
<tr>
<td>Sick</td>
<td>To recover from a less severe, short-term medical condition (such as the flu)</td>
</tr>
</tbody>
</table>

Source: AEI-Brookings Working Group on Paid Family Leave
Research shows that a period of paid leave after the birth of a child contributes to the healthy development of infants and toddlers. Paid leave policies that enable workers to take time off to care for and bond with young children without forgoing their entire income offer a measure of financial security for families. They also increase the likelihood of extended breastfeeding, timely doctor visits and immunizations, and improved maternal health.

PARENT–CHILD BONDING

Secure relationships between babies, parents and other caregivers are essential to long-term health and well-being. The most fundamental parent-child bonds are generally formed during a baby’s first three months. It’s during this period that infants develop the capacity to recognize a caregiver’s voice, smell and face. In addition, consistent, caring relationships can mitigate the impact of stress and help develop the foundation of a child’s ability to learn, form positive relationships and exercise self-control.

Financial security is also linked to positive child outcomes, including greater academic achievement and fewer behavioral or mental health issues. Parents tend to be more responsive to the needs of their young children when not under extreme financial duress. Evidence suggests paid leave also reduces the risk of postpartum depression. Some experts caution, however, that post-partum depression or other maternal mental health issues could impede healthy bonding regardless of leave policies. In some instances, child care and other supports for the parent and child may be more advantageous to the health and well-being of the entire family.

FATHER ENGAGEMENT

Families benefit when fathers take advantage of paid paternity leave, according to a 2019 report from the National Bureau of Economic Research. For example, research found that fathers who take paid leave are better able to support their birth partner and bond with their child. A study from the University of New Hampshire found that fathers who take two or more weeks off after the birth of their child are more involved in that child’s direct care nine months later than fathers who did not take leave. Moreover, the study found maternal mental and physical health improved when fathers and non-birth parents use paid leave policies during the months after birth, adoption or placement. Another study found both mother and baby sleep better when fathers are involved during the first six months of infant care. Additionally, paid leave benefits provide fathers a greater role in decision-making and care taking of children.

BREASTFEEDING

Breastfeeding and breast milk are both critical for babies. The act of breastfeeding, or nursing, among other things, creates a nurturing bond between child and mother. This opportunity for physical closeness, touching and eye contact helps babies feel secure. In addition, breast milk provides baby with antibodies to fight off illness and build immunity and is the best source of nutrition. The proteins in breast milk are more easily digested than the proteins in formula or cow’s milk and the calcium and iron in breast milk are also more easily absorbed. The CDC shares in scientific and medical consensus that breastfeeding pro-
protects babies against pneumonia, respiratory infections and sudden infant death syndrome. According to one scientific study, if 80% of mothers breastfed exclusively for six months, the United States could save an estimated $10.5 billion a year in health care costs through reduced incidence of pediatric diseases. The country would also experience 700 fewer, primarily infant, deaths. That same study found that if exclusive breastfeeding rates increased to 90%, the savings could increase to $13 billion annually and prevent just over 900 deaths, again, mostly among infants.

Breastfeeding newborns is made easier when mothers have the economic security to be at home with their child. Research in 2016 on New Jersey’s paid leave policy found that infants of low-income families with mothers using the paid leave program breastfed, on average, one month longer than mothers not using paid leave. The American Academy of Pediatrics recommends exclusive breast milk for at least the first six months of life. New Jersey mothers able to extend breastfeeding by one additional month deliver even more of the immunity-boosting and brain-building benefits of breast milk to their baby.

HEALTH CARE

The American Academy of Pediatrics recommends pediatricians see infants at least seven times in their first 12 months. These well-child visits include important developmental screenings and assessments and may also identify maternal mental health issues. The Bipartisan Policy Center’s 2020 report notes that “longer periods of maternity leave have been associated with higher rates of infants receiving well-baby care and immunizations.”

In addition, babies born prematurely or with developmental difficulties often require significant parental attention, and research has attributed health and developmental improvements in neonatal intensive care unit patients to the presence of parents. Paid leave creates opportunities for parents to identify concerns, intervene early and provide the care their child needs without jeopardizing their family’s financial security.

A study published by the National Library of Medicine found that after being discharged from a hospital, U.S. women who took paid leave experienced a 47% decrease in the odds of rehospitalizing their infants at 21 months postpartum, compared to women taking unpaid or no leave. They were also 51% less likely to be rehospitalized themselves.

Additional research showed improved outcomes for early elementary students, including maintaining a healthy weight, decreased prevalence of attention-deficit/hyperactivity disorder and fewer hearing-related problems, particularly for less-advantaged children. According to the study, these positive outcomes are likely attributable to reduced prenatal stress, increased breastfeeding and increased parental care during infancy.

CHILD MALTREATMENT

Financial insecurity is a common and significant source of parental stress, which in turn leads to greater likelihood of child maltreatment. While the absence of a paid leave benefit is not synonymous with poverty, lack of access to paid leave does create financial strain for low-income families, and stressful home environments contribute to child maltreatment.

Emerging evidence is beginning to show a link between paid leave benefits and child safety. Preliminary research indicates that California’s paid leave policy may be reducing the occurrence of child maltreatment by reducing parental stress and depression. The study analyzed hospital visits related to abusive head trauma and found a decline in hospital admissions compared to states without a paid leave policy.

The number of parents working outside the home has grown for decades. Employers that cultivate supportive work environments can help ease the stress of employees who are managing job and family responsibilities. Child welfare experts note that parental leave policies, and other family-focused workplace accommodations, help new parents and babies form positive attachments and may prevent family dysfunction, abuse or neglect.
Common arguments in support of paid leave policies

- **Improved child health**, with fewer babies admitted to hospitals, increased rates of breastfeeding, higher vaccination rates, and greater likelihood of well-child and other health care visits.
- **Improved maternal health**, including lower rates of maternal depression when mothers take leave following childbirth.
- More time for **parent-child bonding** following birth, adoption or foster placement.
- **Greater family economic security** through full or partial wage replacement has the following positive effects on family economic security:
  - Helps families meet their basic needs, including food, housing, health insurance and even homeowners, car or rental insurance.
  - Mothers stay connected to the workforce, leading to higher long-term earnings.
  - Reduces risk of families taking on debt and drawing on public assistance.

Common arguments against paid leave policies

- Mandatory paid leave policies could be **cost prohibitive** for business, especially small businesses.
- **Maintaining business operations** when employees are on extended leave could be an unreasonable burden for employers.
- Employers might **reduce other employee benefits** to workers to offset the costs.
- Publicly funded paid leave is an **inappropriate or unreasonable expectation of government**.
- The **administrative burden** for companies operating in multiple states with different requirements would be unreasonable.
- The **research** on how to design the most effective paid leave policies is insufficient.

Public Support

A 2018 survey conducted by the Cato Institute found 74% of Americans support a federal 12-week paid leave policy when costs are not mentioned. Support waned when respondents were asked to consider costs. Fifty-four percent of those surveyed said they would be willing to increase per-person annual tax payments by $200; however, opposition grew to 52% and 56%, respectively, when potential costs of $450 and $1,200 a year were mentioned.

A 2017 study by the Pew Research Center similarly found that most Americans believe workers should have access to some form of paid family and medical leave; however, the country is divided over the details. The AEI-Brookings Working Group on Paid Family Leave claims more research on the length and design of leave policies is needed. The group concluded that “if a parental leave policy extends to fathers, as well as adoptive and foster parents, it could provide a base on which to build other types of leave.”

Family Economics

Parents of young children are often at an early point in their careers, with a lower level of earning power and less accrued wealth than older adults. Moreover, economic trends are not on their side. The overall cost of living has been increasing at a higher rate than earnings. After adjusting for inflation, today’s average hourly wage has about the same purchasing power it did in 1978. As reported by the Pew Research Center, an hourly rate of $4 in the early 1970s has the same purchasing power of just under $24 per hour in 2018.

Compounding the situation, access to any type of paid leave is lower for less-educated, lower-paid and part-time workers. The U.S. Department of Labor reports 93% of workers earning less than $15 an hour,
which represents more than 44% of all workers, have no access to any defined paid leave benefit. A 2018 report found only 5% of the lowest-wage workers, who earn an average of $10.28 per hour, have access to any paid time off. According to the U.S. Bureau of Labor Statistics, non-Hispanic Black and Hispanic workers are less likely than their white counterparts to have access to paid leave. Much of the evidence on paid family leave suggests the greatest positive effects are realized by low-income families.

In the United States, women account for almost half (47%) of the workforce, and 70% of mothers with children younger than 18 are in the workforce compared to 11% in 1960. The Bipartisan Policy Center notes, “Because it is no longer possible for many to support a family on a single income, far fewer households have the flexibility to forego paid employment to meet caregiving demands.” Consequently, some parents will see no choice but to return to work, perhaps leaving their children in unsuitable or unsafe environments. Others will sacrifice their income to stay home with their child, likely increasing their dependence on publicly funded safety net services. Notably, 25% of U.S. mothers are back to work within two weeks after birth because unpaid leave is financially impossible.

PATERNITY LEAVE

Compared to working mothers, even fewer fathers take paternity leave after the birth, adoption or placement of a child; however, the National Partnership for Women and Families report men are filing a growing share of parental leave claims for bonding and caregiving. Still, research indicates 3 out of 4 fathers in professional jobs took one week or less of leave after the birth of their most recent child, and in 2015, nearly 60% of low-income fathers reported taking no paid leave.

During New York’s first year with a paid family leave program, 7 out of 10 claims were for child bonding and more than half of the claims came from families earning $60,000 or less annually. Rhode Island implemented paid leave in 2014. Four years later, more than 75% of claims were for bonding with a newborn and 40% were filed by men. Data from Rhode Island show the program serves middle- and lower-income workers.

Business and Employment

The Bipartisan Policy Center polled 500 small business (50 or fewer employees) owners or executives representing both major political parties on their beliefs about paid leave policies. The survey found over 60% of respondents thought paid leave could have a positive impact on employee morale and retention, as well as their ability to attract new employees. The poll also found that while more than 50% of the owners and executives would support a paid family leave policy, owners said offering paid leave to employees would require some form of financial support.

Opponents argue paid leave is an unreasonable financial burden for businesses, potentially resulting in lower wages and cuts in other employee benefits. In a 2020 report, the U.S. Chamber of Commerce explores state and local paid leave policies. The report notes many of the programs in place “...are incongruous and create significant compliance challenges for employers.” Challenges are exacerbated for businesses operating in multiple states and having to contend with a patchwork of policies. Moreover, payroll and human services departments must nav-
igate complex processes, including setting up and monitoring payroll deductions, collecting and submitting deductions on time and to the correct entity, and reporting all mandatory corresponding information to the appropriate state agency. And, of course, smaller companies with a lean staff may not have payroll and human services departments to successfully complete the required administrative work.

For small businesses in particular, finding a replacement worker to cover for an employee on leave can be difficult or impossible. The question becomes who is responsible for covering for the absent employee—another current employee or is the employer expected to pay for a temporary employee?

Proponents argue paid leave keeps parents connected to the workforce, which benefits families and employers. With paid leave, parents, particularly mothers, can care for their children, help support their families and stay connected to the job market, and a job to return to after a period of leave, is good for the overall economy and the gross domestic product of the United States. Research shows paid leave could promote an increase in overall workforce participation, leading to a larger economic output.

State legislative activity

Paid leave is a crossover issue involving labor and employment, finance and appropriations, and health and human services committees, and given the limitations of FMLA, many states are considering their own leave policies. In addition, most of the early adopters have updated their policies since the original enactment. For example, in 2014, California expanded the definition of family member to include grandparent, grandchild, sibling and parent-in-law. And New Jersey increased its benefit payout from 66% of a worker’s average weekly wage to 85% as of July 1, 2020.

Seven states—California, Connecticut, Massachusetts, New Jersey, New York, Rhode Island and Washington—fund their paid family leave with an employee payroll tax. Washington, D.C., funds paid leave with employer contributions, and Oregon uses a combination of employee and employer contributions to fund its family leave benefit.

In some states with recently enacted legislation, neither premiums collection nor benefits payments have begun. Massachusetts began collecting premiums in July 2019 and will begin paying out benefits in January 2021. Connecticut will begin collecting premiums in January 2021 and paying benefits the following year, and Oregon will follow with premium collection beginning in January 2022 and benefits payments starting in January 2023.
Early adopters

California, New Jersey and Rhode Island were the earliest adopters of comprehensive paid family and medical leave policies. Today, the roll call of states includes California, Connecticut, Massachusetts, New Jersey, New York, Oregon, Rhode Island and Washington, plus the District of Columbia; however, not all have fully implemented their policies.

All nine jurisdictions cover private-sector employees, and Massachusetts, New Jersey, Oregon and Washington also cover all state employees. Other variables include duration of leave, wage replacement amount, job protection and funding mechanisms.

Ten additional states—Arkansas, Delaware, Idaho, Indiana, Kansas, Missouri, North Carolina, New Mexico, Tennessee and Virginia—have enacted more narrowly defined policies to provide paid family leave to some or all state employees.

In 2002, California became the first state to provide paid family leave with passage of SB 1661. It began issuing payments in 2004. The legislation provided up to six weeks of wage replacement benefits to workers who take time off to bond with a new minor child due to birth, adoption or foster care placement or to care for a seriously ill child, spouse, parent or registered domestic partner. The benefit is financed by workers and paid from California’s State Disability Insurance Fund at approximately 60% of an employee’s salary for higher-income earners and 70% for lower-income earners. Eleven years later, in 2013, California’s SB 770 expanded paid family leave benefits to workers who take time off to care for a seriously ill parent-in-law, grandparent, grandchild or sibling. Over time, California’s participation rate has steadily increased. More than 3.3 million first-time claims were filed between 2004 and 2019. More recently, in 2020, California increased the length of family leave from six to eight weeks.

New Jersey’s paid leave law, enacted in 2008, took effect in 2009, providing six weeks for workers to care for a new child or seriously ill family member. It is funded entirely by a payroll tax on employees. According to a 2019 report by 1,000 Days, New Jersey workers filed over 255,000 leave claims between 2009 and 2016. Of those, 205,000 were to bond with a newborn. Initially, the wage-replacement rate of up to 66% made it difficult for low-income workers to take advantage of the benefit. Legislators responded, and as of 2020, New Jersey’s wage replacement rate is 85%. In addition, lawmakers extended the maximum duration of the benefit from six weeks to 12 weeks and enacted additional job protections.
Recent adopters

In 2019, 24 states introduced paid leave legislation, and three states enacted laws. Connecticut (SB 1) established a paid family and medical leave system. Oregon (HB 2005) created a paid family and medical leave insurance program and the Colorado General Assembly commissioned a study to inform future decisions.

Connecticut’s paid family and medical leave system will be funded entirely by employees. Premiums will be collected beginning in January 2021, and benefit payments will kick in the following year. Employers will not be required to contribute toward the program, but they will be responsible for withholding the employee tax and remitting the funds to the state Family and Medical Leave Insurance Trust Fund.

All private-sector employees can take up to 12 weeks of job-protected paid leave to bond with a new child or care for themselves or a family member with a serious health condition. Two additional weeks (totaling 14 weeks) of compensated leave are available to employees who suffer serious health conditions resulting in incapacitation occurring during pregnancy. Self-employed individuals and state or local collective bargaining units can opt into the program.

To be eligible for job protection, workers must be employed by the same employer for at least three months before requesting leave. Connecticut included two additional qualifying reasons for paid leave: serving as an organ or bone marrow donor and qualifying exigency arising out of a spouse, child or parent being on active duty or having been notified of an impending call or order to active duty.

In Oregon, several years of work that included a bipartisan and bicameral legislative work group culminated with the legislature passing HB 2005 in 2019 and the creation of a paid family and medical leave insurance program. For employees earning at least $1,000 in annual wages, the program will provide 12 weeks of leave with full or partial compensation, depending on an employee’s average weekly wage and determined by the director of the state employment department. To be eligible for job protection while on leave, workers must be employed by their current employer for at least 90 days before leave starts.

For all employees, qualifying events include caring for and bonding with a child during the first year after the child’s birth or arrival through adoption or foster care. They also include recovering from a serious health condition and providing care for a family member with a serious health condition. Employees could also qualify in certain instances arising out of an employee or employee’s minor child or dependent experiencing domestic violence, harassment, sexual assault or stalking.
The program will be funded by employer and employee contributions beginning in January 2022. Benefit payments will start the following year. Employers with fewer than 25 employees are not required to contribute to the fund; however, if they do, they will be eligible to apply for small grants to cover increased costs incurred from the program. Self-employed workers and independent contractors can elect coverage and opt into the program by providing contributions.

Other Legislative Activity

Colorado’s Family and Medical Leave Implementation Task Force, established by the legislature in 2019 (SB 188), analyzed 16 elements related to paid leave policies and produced a report with 21 recommendations. In 2020, proponents returned with SB 205, which created the Healthy Families Workplace Act. The act requires employers to provide employees with paid sick leave for COVID-19-related reasons through the end of 2020. The new law also requires that by Jan. 1, 2021, all Colorado employers provide paid sick leave to their employees at the rate of one accrued hour for every 30 hours of work up to a maximum of 48 hours. In addition, all Coloradans registered to vote will have the opportunity to weigh in on a paid family and medical leave insurance program this November 2020 through ballot initiative 283.

In North Dakota, a 2019 resolution (SR 4018) with bipartisan co-sponsors requested that the legislative management division study the feasibility and desirability of a paid family leave program structured to be beneficial, financially sound and affordable to both families and businesses. The resolution, however, was not adopted.

During the 2019 legislative session, New Mexico attempted to enact paid family leave legislation (HB 213) by creating a paid leave division in its Department of Workforce Solutions, along with a paid family and medical leave insurance fund. The bill was postponed indefinitely. It would have allowed up to 12 weeks of paid family and medical leave, and the benefit payment structure would allow low-income individuals to receive a higher percentage of their income than higher earners.

The Tennessee General Assembly in 2019 considered, but did not pass, a pair of bills addressing paid leave policies. With SB 647/HB 514, legislators attempted to establish a state Family Leave Act. It would have provided 12 weeks of paid family and medical leave to care for a newborn, an adopted or foster child, or the employee or a family member experiencing a long-term illness. The bills would have been funded by a withholding from employees’ paychecks, and the benefit would have covered two-thirds of the employee’s average weekly wage, up to a maximum of $850. Returning in 2020, the same co-sponsors introduced SB 1786/HB 2024 to provide paid family and medical leave benefits specifically for state employees and teachers. They also introduced SB 1858/HB 1872 to enact the Tennessee Family Insurance Act, which would create, an employee-funded family and medical leave insurance program. None of the bills advanced out of committee prior to the General Assembly’s adjournment.

Legislative activity in 2020 was significantly curtailed by the COVID-19 pandemic, as most legislative sessions adjourned sine die or were suspended or postponed. Still, 25 states introduced legislation related to paid leave, and as mentioned above, Colorado enacted SB 205.

Before the Hawaii Legislature adjourned sine die in 2020, members introduced a House resolution to create a working group to explore a paid family leave policy for government employees in the executive branch. The working group was also charged with developing recommendations on how to scale up the program to all working Hawaiians.

Legislators in Iowa (House File 2096) and South Carolina (SB 997/HB 5137) also introduced legislation to provide paid leave options for state employees. In both cases, the bills stalled in committee. Notably, South Carolina’s House bill had 37 sponsors from both parties.

In 2020, Florida legislators introduced SB 1194/HB 889 to create the Florida Family Leave Act. It would allow employees, excluding independent contractors, who work at least 20 hours a week and have been in their current job for at least 18 months up to three months of paid family leave to bond with a newborn or adopted or foster child. Florida considered similar legislation (SB 629) in 2019 that would have allowed employees to take up to six months of paid family leave. Also in 2020, Illinois introduced HB 9 to create the Paid Family Leave Act. It would require private employers with more than 50 employees to provide six
weeks of paid leave for an employee taking leave to care for a newborn or newly placed foster or adopted child, or to care for a family member’s serious health condition. The bill, which has a handful of co-sponsors, has been referred to the rules committee as of June 2020.

**Conclusion**

The research is clear: The early years are critical, laying the foundation for later education, health and economic stability and success. Consequently, state and federal lawmakers are considering paid leave policies to allow parents time to bond with their children after birth, adoption or foster placement without losing their entire income. Evidence suggests fewer infant deaths, improved health and nutrition resulting from prolonged breastfeeding, and stronger family economic security are among the benefits of paid leave policies.

In the absence of a national paid leave policy, some states have enacted their own, and many more are considering similar moves. As a result, workers in eight states and the District of Columbia no longer forgo their entire paycheck to bond with and care for a child, care for an ill family member or tend to their own significant medical event.

While there are many similarities between state paid leave policies, it is the differences that highlight the opportunities for legislators to craft policies appropriate for their states. Paid leave policies in the eight states and District of Columbia vary by funding mechanisms, wage replacement rates, duration of leave, qualifying events and other eligibility requirements. The table below summarizes many of the variables among policies.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Options to Consider</th>
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</table>
| Type of Leave     | • Parental leave  
                    • Family care leave  
                    • Medical leave  
                    • Sick leave  
                    • Combination of types of leave                                                                                                             |
| Qualifying events | • Bonding with new child (birth, adoption, foster)  
                    • Care for family member with serious health condition  
                    • Care for own serious health condition  
                    • Qualifying exigency arising out of spouse, child or parent being on active duty (or having been notified of an impending call or order to active duty)  
                    • Care for family member who is a covered service member  
                    • Serving as organ or bone marrow donor  
                    • Certain purposes arising out of employee or employee's minor child/dependent experiencing domestic violence, harassment, sexual assault or stalking |
| Eligible workers  | • All workers  
                    • State employees only  
                    • Private-sector employees only  
                    • Independent contractors  
                    • Self-employed individuals  
                    • Gig/1099 workers                                                                                                                             |
Variable | Options to Consider
--- | ---
**Definition of family members** | • Child  
• Spouse or domestic partner  
• Parent or parent of a spouse or domestic partner  
• Grandparent or grandparent’s spouse or domestic partner  
• Grandchild or grandchild’s spouse or domestic partner  
• Sibling or sibling’s spouse or domestic partner  
• Individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship

**Funding mechanisms** | • Employees only  
• Employers only  
• Employees and employers  
• Other

**Administrative mechanisms** | • Through state’s Temporary Disability Insurance  
• Separate paid family leave program  
• Other

**Wage replacement** | • Full replacement  
• Partial replacement  
• Tiered reimbursement based on income  
• Maximum amount an employee can receive

**Duration of leave** | • Four weeks  
• 14 weeks  
• Other

**Exceptions/waivers** | • Accommodations for small businesses  
• Opt in/opt out criteria

Paid leave is a crossover issue with implications for children and families, employees and employers, and state and federal lawmakers. Proponents see mandatory paid leave policies as a significant opportunity to improve the health and well-being of children, safeguard family income and keep workers connected to jobs. Opponents are concerned about placing additional mandates on businesses, overstepping government’s role and the cost of guaranteeing a paid leave benefit. Understanding the many variations of paid leave policies and the options available may help states find common ground on this high-profile issue.

**Additional Resources**
- Employee Leave | NCSL
- Paid Family and Medical Leave: An Issue Whose Time Has Come | American Enterprise Institute and Brookings Institution
- Paid Family Leave in the United States | Bipartisan Policy Center
- State Paid Family and Medical Leave Insurance Laws | National Partnership for Women & Families
- A Policy Patchwork: Paid family leave laws in the states | U.S. Chamber of Commerce
- The Case for Paid Leave in America | 1,000 Days
- Paid Family Leave | Prenatal-to-3 Policy Impact Center
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