

Written Testimony of the Honorable Elise Stefanik
“Legislative Proposals for Paid Family and Medical Leave”
Tuesday, January 28, 2020

Thank you, Chairman Neal, Ranking Member Brady, and members of the committee for the opportunity to testify today. It is encouraging to see such strong, bipartisan interest in this important issue and multiple ideas on how Congress can act to help working families access paid leave.

The workplace in America has been transformed, as women now hold the majority of jobs in this country,¹ more jobs are being done remotely,² and younger workers increasingly value flexibility in their work arrangements.³ Developing solutions to help new parents and working families thrive in the modern workforce is necessary for the continued economic success of our nation and the wellbeing of the next generation of Americans.

Parental bonding is critical to a newborn’s health and early development, yet many new parents cannot afford significant time off without income. In 2016, roughly 37% of Americans had to take on debt to cover parental leave.⁴ Still, 41% were forced to cut their leave time short due to financial constraints.⁵ Our working families deserve better.

Last year, I was proud to introduce H.R. 5296, the *Advancing Support for Working Families Act* with Congressman Allred, Senator Cassidy, Senator Sinema, and a bipartisan group of colleagues from both chambers. Our bill delivers the first bipartisan and bicameral plan to help working families now by funding paid parental leave, infant care, or other critical first year expenses – and does it without raising taxes or creating new federal mandates.

Under this proposal, new parents would have the option of advancing up to \$5,000 from their future Child Tax Credits (CTC) immediately upon the birth or adoption of a child, and then would receive an adjusted credit for the next ten years. Parents can currently claim an annual CTC of up to \$2,000 for each child under age 17, so new parents who utilize the whole \$5,000 advance would receive an adjusted CTC of up to \$1,500 annually for the following 10 years. Importantly, parents who are not eligible for the full, refundable portion of the CTC under current law would still have the option to bring forward an amount equal to 12 weeks of full

¹ The Employment Situation - December 2019, U.S. Department of Labor, Bureau of Labor Statistics, (January 10, 2020), https://www.bls.gov/news.release/pdf/empsit.pdf?mod=article_inline&mod=article_inline

² 2017 State of telecommuting in the U.S. Employee Workforce, Global Workplace Analytics and Flexjobs (June 21, 2017), (<https://globalworkplaceanalytics.com/telecommuting-statistics>)

³ 2018 Deloitte Millennial Survey, Deloitte (May 19, 2019), <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-2018-millennial-survey-report.pdf>

⁴ Renee Stepler, Key takeaways on Americans’ views of and experiences with family and medical leave, PEW RESEARCH CENTER (March 23, 2017), <https://www.pewresearch.org/fact-tank/2017/03/23/key-takeaways-on-americans-views-of-and-experiences-with-family-and-medical-leave/>.

⁵ *Id.*

wage replacement. To limit any potential burden for these families, their offset would be spread over a longer, 15-year window.

Why does this bipartisan effort work for American families?

First, our solution does not create a new federal program or implement new taxes on workers, but simply improves the popular and successful Child Tax Credit to better match the individual needs of new families. Child-related expenses can be particularly high during a child's first year,⁶ so families should be free to utilize the CTC when they need it most. Giving new parents control over the timing of this critical benefit makes it more responsive to the realities facing hardworking Americans.

Second, our solution is fully compatible and complementary to state and local paid leave laws that exist across the country – including in my home state of New York. It does not reduce the amount of paid leave New York workers receive – but gives them the option for additional cash to cover expenses like childcare or medical bills. Additionally, it provides a paid leave option to newer workers and the self-employed, who may fall outside of coverage under state laws.

Third, our solution enhances the positive trend of private sector employers providing greater benefits to their workers, including paid family leave.⁷ The strong economy has elevated workers and put the onus on companies to do more to attract and retain skilled workers – and paid leave has been shown to improve retention, productivity, and morale.⁸ A family's choice to advance some of their Child Tax Credit is their own – and it does not reduce the strong incentive on the private sector to do more for their workers and provide benefits like paid family leave. Nor does it abdicate the responsibility from the many employers who already offer paid leave to their employees.

As Congress considers the various legislation on this issue, I would urge my colleagues not to pit proposals against each other, but instead weigh each proposal individually on its merits. With our bill, I believe the question to ask yourself is simple: are there families in your district who would be better off if they had the option to advance support in that critical first year of parenthood. As I think about the many families across New York's 21st district, my answer is clear.

Thank you.

⁶ See e.g., U.S. Department of Agriculture, Center for Nutrition Policy and Promotion, Expenditures on Children by Families, 2015, Miscellaneous Report No. 1528-2015, By Mark Lino et al. Jan. 2017. Available at: https://fns-prod.azureedge.net/sites/default/files/crc2015_March2017.pdf.

⁷ 2019 PTO/Paid Parental Leave Programs & Practices Survey, WorldatWork and PTO exchange (July 15, 2019), <https://www.worldatwork.org/press-room/the-current-state-of-pt-and-paid-parental-leave-programs-in-the-u-s>

⁸ Paid Family and Medical Leave: Good for Business, National Partnership for Women and Families (Sept. 2018), <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-leave-good-for-business.pdf>