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**Testimony of Sharon Terman  
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**U.S. House of Representatives Committee on Ways and Means  
Hearing on Legislative Proposals for Paid Family and Medical Leave**

**January 28, 2020**

Good morning and thank you, Chairman Neal, Ranking Member Brady, and Members of the Committee. My name is Sharon Terman, and I direct the Work and Family Program at Legal Aid at Work, a nonprofit legal organization based in California that advances the workplace rights and wellbeing of families with low incomes. We were among the organizations that helped pass California's first-in-the-nation Paid Family Leave (PFL) law in 2002, and with our partners in the California Work and Family Coalition, we have advocated to make the program more equitable and accessible since its implementation in 2004. I am pleased to appear before so many members from my home state, including those who have been longstanding champions for paid leave in California and beyond. I am honored to come before this committee to testify about the successes of California's Paid Family Leave program, the lessons we have learned in the past 15 years, and the urgency of passing comprehensive federal paid leave policy for all American families.

Legal Aid at Work runs a free Work and Family Helpline, where we hear directly from low-wage workers every day who are struggling to keep their jobs and income while caring for themselves, a new child, or an ill family member. Many of our clients and callers live paycheck to paycheck, working minimum-wage jobs with no employer-provided benefits. Most are women of color, and many are single parents who are sandwiched between caring for children and elderly parents.

If they could, they would share their experiences with you firsthand. Since they cannot be here, I would like to share some of their stories with you and explain how paid leave, or the inability to access it, has affected their lives.

Ana is a receptionist who took Paid Family Leave to care for her mother when she was dying of cancer. Ana said:

*“I stayed with her in the hospital while she recovered from major surgery, and learned how to clean and tend to her wounds. Of course I cared for all her emotional needs too, which no one else could have done. Having access to Paid Family Leave made an intense and difficult time less stressful.”*

Patty, a new mother who works as a customer service representative, said:

*“The early days were very overwhelming. Rafa was less than 1 percentile in weight so we had to wake him up every 2 hours to feed him. The sleep deprivation was so intense that I got anxiety every time night would fall. Breastfeeding was so much harder than I imagined. I couldn’t imagine not having the paid leave. I’m not sure that it would be possible to deal with all of that along with the stresses of my job. I imagine that if it weren’t for the paid leave I would have had to quit. Also, there is no way I would have been able to comfortably leave my underweight baby with anyone.”*

Experiences like Ana’s and Patty’s reinforce how vital paid leave is for family health, wellbeing, and economic stability. For low-wage workers in particular, paid leave is a lifeline - enabling families to care for themselves or a loved one without risking the paycheck they need to keep a roof overhead and food on the table.

The need for paid leave is universal. All of us, at some point in our lives, will need time to care for ourselves or someone we love. As a breast cancer survivor, mother, and caregiver myself, I have needed paid leave to recover from my own illness, to bond with my newborn daughter, and to care for my mom in the final months and days of her life. These experiences are part of being human; they shouldn’t cause financial ruin.

## **I. Overwhelming Evidence Demonstrates the Success of California’s Paid Leave Program.**

California became the first state in the nation to pass Paid Family Leave in 2002. Since its implementation, research has shown that California’s program has provided critical benefits to millions of working parents and caregivers while also benefiting businesses and the economy.

## **A. Overview of paid family and medical leave in California.**

In California, paid family and medical leave is comprised of two programs, Paid Family Leave and State Disability Insurance (SDI). Paid Family Leave provides partial wage replacement benefits (60 or 70%, depending on income, up to a cap of \$1,300 per week) to workers who are on leave to bond with a newborn, adopted, or foster child, or to care for a seriously ill child, parent, spouse, registered domestic partner, parent-in-law, grandparent, grandchild, or sibling.<sup>1</sup> As of July 2020, Paid Family Leave will be extended from 6 to 8 weeks.<sup>2</sup> The program will be expanded further in 2021 to cover military exigencies.<sup>3</sup>

California's Paid Family Leave law was built upon our longstanding State Disability Insurance program, which provides up to 52 weeks of benefits to a worker who is temporarily unable to work due to a nonindustrial illness, injury, or disability, including pregnancy- and childbirth-related conditions.<sup>4</sup> Most California workers make a small, mandatory contribution – via payroll deduction – into the state fund that pays for both Paid Family Leave and State Disability Insurance benefits.<sup>5</sup> Workers are then eligible for these wage replacement benefits if they have at least \$300 in qualified earnings in their “base period”, which covers a 12-month period approximately 5-18 months prior to their claim.<sup>6</sup> Benefits are portable, meaning a worker receives benefits based on what she has paid into the fund during the applicable base period, no matter the employer. Thus, employees are eligible for PFL even if they have switched employers as long as they contributed to the program.<sup>7</sup> Additionally, self-employed individuals can choose to opt in to the program.<sup>8</sup> SDI and PFL cover virtually all private employees and some public employees in California—over 18 million people, or 96 percent of the workforce.<sup>9</sup>

## **B. California's paid leave program has helped millions of families by improving their health and economic security.**

The significant amount of research that followed the implementation of California's Paid Family Leave program has shown that Paid Family Leave has strengthened our economy and improved the health of California's families, especially families with low incomes.

1. Paid Family Leave has contributed to the health and wellbeing of California's families.

Paid leave is associated with myriad positive health impacts for families because it makes it possible for workers to take the leave they need to care for themselves, a new child, or an ill family member. For the parent who gives birth, California Paid Family

Leave more than doubled leave duration from around 3 to 6 or 7 weeks, with especially large increases among disadvantaged mothers.<sup>10</sup> PFL also has increased the duration of leave taken by fathers.<sup>11</sup> This means that more children have been able to stay with their parents for longer, with accompanying health benefits for both parents and children.

Paid Family Leave is associated with long-lasting improvements in maternal physical and mental health, including reduced stress and depression.<sup>12</sup> It is also connected with reduced infant and post-neonatal mortality, improved breastfeeding rates and duration,<sup>13</sup> and increased likelihood of a child attending well-baby visits and receiving vaccines.<sup>14</sup> A baby's first 12 weeks are key for brain development and can shape the way a child interacts with their surroundings for their entire life. The positive health impacts of having a parent take Paid Family Leave in the first months of a baby's life can be seen into early elementary school and onward.<sup>15</sup>

Paid leave also influences who takes leave to care for a new child. Since Paid Family Leave was implemented in California in 2004, men have taken on more caregiving for new children. PFL has increased by 50% father-only leave-taking (while the other parent is at work), and joint leave-taking by 28%.<sup>16</sup> When the program began, men were only 15% of the workers who took child bonding leave; over a decade later, men were 38% of leave takers for new children.<sup>17</sup> That is a dramatic change in our program's use and in our culture. A father who takes time to bond with a new child is more likely to be involved in the child's life for years to come, which is associated with improved health and developmental outcomes for the child.<sup>18</sup>

We know that Paid Family Leave makes this possible. Chris, a firefighter, told us:

*“Even though my job allowed me to take time off for family bonding, if it weren't for PFL I wouldn't have been able to use it. I couldn't take the time without income.”*

The health impacts of Paid Family Leave stretch far beyond child development and bonding. Parents with access to paid leave are five times more likely to stay home with a sick child,<sup>19</sup> and for seriously ill children, having a parent stay with them in the hospital has been shown to reduce the length of hospital stays by one third.<sup>20</sup> California Paid Family Leave has decreased the enrollment of elderly family members into nursing homes by about 11%,<sup>21</sup> resulting in significant savings for the state's Medicaid program. Access to paid leave also improves self-reported outcomes for cancer patients, including being able to complete and afford treatment.<sup>22</sup> Shorter hospital stays, preventative care for babies, and reduced rates of maternal depression also reduce healthcare costs for the state as well as individuals' pain and suffering.

## 2. Families with low wages have benefited from California's paid leave program.

Families with low incomes are both the least likely to have access to employer-provided paid leave and also least likely to have savings to lean on during a family emergency.<sup>23</sup> In other words, without paid leave, families with low incomes have to make sacrifices. Four-fifths of workers who have taken caregiving leave without pay report having to make tradeoffs and sacrifices, including digging into savings, borrowing money, and dealing with the administrative burdens of signing up for public benefits.<sup>24</sup>

California's Paid Family Leave program has made it possible for families with low incomes to take the leave they need and return to work, narrowing the socioeconomic gaps in leave-taking.<sup>25</sup> After PFL went into effect, the average duration of maternity leave in California doubled, with the largest increases among non-white, less educated, and unmarried mothers, a population that was previously taking disproportionately less leave than other new parents who had given birth.<sup>26</sup> Thus, PFL reduces health disparities by helping to ensure that all babies can experience the crucial health and developmental benefits of parental leave regardless of socioeconomic status or race. Women who take paid leave after childbirth are also more likely to report wage increases within the year.<sup>27</sup>

We at Legal Aid at Work know how important paid family and medical leave is for low-wage workers because we hear directly from these workers every day.

"Lorena", a 26-year-old single mother who worked as a medical biller, was diagnosed with a rare, fast-moving form of uterine cancer just weeks after her baby was born. Instead of being able to breastfeed and bond with her newborn, Lorena spent the first months of her baby's life undergoing chemotherapy while her mother and sister helped care for her and her baby. California State Disability Insurance benefits kept Lorena's family afloat while she fought for her health and ultimately recovered.

### **C. California Paid Family Leave has helped businesses and the economy.**

When the California legislature was originally considering paid family leave legislation, some members of the business community strongly opposed the bill, labeling it a "job-killer."<sup>28</sup>

But fifteen years after implementation, the evidence belies this prediction. In fact, survey data show that the overwhelming majority of employers report positive or neutral effects of the program on productivity (89 percent), profitability/performance (91 percent), turnover (96 percent), and employee morale (99 percent).<sup>29</sup>

Notably, business groups have not opposed – and indeed some have supported – recent measures to improve Paid Family Leave. Over the last several years, California has increased the wage replacement rate and removed the waiting period, expanded the definition of family, and added military caregiving.<sup>30</sup> In fact, all the recent expansions to California’s family leave laws have received bipartisan support in the Legislature, including a recent measure to expand job protection to more new parents.<sup>31</sup>

Further, for small employers, Paid Family Leave has allowed them to be competitive where otherwise they could not. Small employers often have difficulty matching the benefits that larger employers can provide and Paid Family Leave evens the playing field by allowing them to offer the benefits that their employees need. Unsurprisingly, 70% of small businesses support the creation of a federal paid family and medical leave program.<sup>32</sup>

The benefits to businesses are borne out in the data; Paid Family Leave has increased retention of recently pregnant workers in the workforce. Research shows that a year after giving birth, women who took Paid Family Leave are 93% more likely to be in the workforce than women who took no leave.<sup>33</sup> In the year after a child’s birth, access to state-provided Paid Family Leave decreased maternal labor force detachment by 20% and five years after a child’s birth, it decreased detachment rates by 20-50%, avoiding significant financial losses to families over time.<sup>34</sup>

Paid family and medical leave has given California residents the time they need to recover, bond with their child, and care for seriously ill loved ones so that they can return to work as productive employees, strengthening California’s economy as a whole.

## **II. California’s Paid Leave Experience Offers Important Lessons for Federal Policy.**

While California’s paid leave program has been tremendously successful, we also have learned valuable lessons that have spurred ongoing improvements to make the program more equitable and accessible to those who need it the most. These lessons should inform national policy.

### **A. The wage replacement rate must be high enough so that low-wage workers can afford to take leave.**

As originally enacted, California’s Paid Family Leave program, like our State Disability Insurance program, provided only 55% wage replacement. Because workers with low wages rely on every paycheck to pay bills and buy groceries, this rate was often

insufficient to allow low-income workers to take leave, especially with the added expenses of a new child or an ill family member needing care.

Jason, a father of two whose youngest child was born prematurely at 26 weeks, works two jobs and is the only breadwinner for his family. He could not afford to take leave at 55% of his income. The day his baby was born, Jason took only *two hours* off from work to be with his newborn in the NICU. He did not feel he could afford to take more time off. He explained to us,

*“It was difficult to bond with him. I would have had a stronger bond with my kids if I would have had more time with them from the start.”*

Thanks to Congressman Gomez’s leadership when he was in the State Assembly, in 2017, California increased the wage replacement rate for both the State Disability Insurance and Paid Family Leave programs, and instituted a progressive benefit structure so that most workers receive 60% wage replacement, and the lowest-wage workers receive 70%. Representative Gomez’s bill also eliminated the one-week unpaid waiting period for Paid Family Leave, which had been a barrier for many workers with low incomes.<sup>35</sup> Between 2017 and 2018, when the higher wage replacement rates went into effect, the number of bonding and care claims increased at a greater rate than in prior years.<sup>36</sup> Thus, preliminary data suggest program usage is improving.<sup>37</sup>

Policymakers and advocates in California are currently exploring further improvements to the benefit structure and wage replacement rate so that more families with low incomes are able to access paid leave.

## **B. Paid leave must be job-protected.**

One of the most important lessons from California’s experience is that paid leave must be job-protected in order to ensure access, particularly for low-wage workers. While California’s paid leave program provides wage replacement, it does not protect workers’ jobs, which means many workers can be fired for taking leave unless they separately qualify for job protection under the Family and Medical Leave Act (FMLA) or related state laws. These job-protecting leave laws have strict eligibility requirements regarding employer size, tenure, and hours. Based on employer size alone, at least 40% of workers are excluded from coverage under the FMLA.<sup>38</sup>

Low-wage workers are disproportionately less likely to be covered, as they are more likely to work for small employers, more likely to work part time jobs, and more likely to switch jobs frequently, making the hours and tenure requirements difficult to meet.<sup>39</sup>

Moreover, 73% of Latinx adults and 62% of Black adults are either ineligible for or unable to afford to take unpaid leave, compared to 60% of white adults.<sup>40</sup> The net result is that many of the workers who qualify for wage-replacement benefits in California do not qualify for job protection, so they lack the security of a job to return to after their paid leave is over. A 2018 survey conducted by the California Employment Development Department (EDD) found that the top reasons for not using Paid Family Leave were fear of job loss and loss of some portion of pay.<sup>41</sup>

Jorge, a father of three and the sole supporter of his family, worked as a busser in San Francisco earning just above minimum wage. When he asked to take two weeks off to care for his newborn, his boss replied that he would not hold his job for him. Because Jorge did not qualify under job protection laws, he was forced to choose between using Paid Family Leave to be with his new baby and his job. Jorge would have given up his right to Paid Family Leave to keep his job, but his baby had medical complications and had to return to the hospital within 48 hours after she was born. Jorge had no choice but to take leave. He said,

*“My employer’s decision to fire me left my family and me very vulnerable.... This was an emotionally, physically, and financially draining experience during an already stressful time in my life. I am devastated that I lost my job and I am stressed to see how I will support my family.”*

We also spoke with Tamisha, a single mother whose daughter Brooklynn was diagnosed with a malignant brain tumor when she was 5 years old. At the time, Tamisha had only been in her job for three months, so she was not eligible for job-protected leave. Tamisha lived in the hospital with her daughter while she underwent chemotherapy and radiation. Four years later, her daughter is now stable but requires ongoing care. Tamisha lost her job and her apartment during her daughter’s treatment and now rents a room for her and her daughter in her cousin’s home. She said:

*“How would you feel if your child or grandchild had cancer? A parent has to be... in the hospital - they will not treat your child without an adult. So if it’s a single parent household how will the mother be able to work and pay bills and keep the lights on and also ensure that their child gets the treatment they need? It’s a catch 22. It needs to be changed.”*

In 2018, the California Legislature expanded job protection by lowering the employee threshold from 50 to 20 for new parents, safeguarding the jobs of up to 2.7 million more Californians.<sup>42</sup> But significant gaps remain. This month, Governor Newsom called for protecting the jobs of Californians who take paid leave, as other states have done.<sup>43</sup>

This step would go a long way toward making California's Paid Family Leave more accessible to workers with low incomes.

### **C. The definition of family must be broad and inclusive.**

As originally enacted, California's Paid Family Leave law only allowed caregiving for spouses, registered domestic partners, children, and parents. This definition was far too narrow, and we heard from many workers whose loved ones needed care but fell through the cracks.

Sally, a 74-year old woman and longtime employee of a large retail store, contacted our Legal Aid at Work helpline because she needed leave to care for her twin sister who had been diagnosed with terminal cancer. At the time, siblings were not covered under Paid Family Leave. Sally's sister was widowed, and her only child lived out of state and was unable to help with her care. Sally said,

*"My sister has lived with me for 15 years and I want her to have the dignity of dying at home. It's hard to go to work when I'm worrying about her at home. I ask the neighbors to check on her while I'm at work, but I still worry that she might fall. Particularly for older people like us, siblings are often the only ones who can take care of each other."*

Sally's story, and those of many other Californians, inspired a 2013 amendment to the Paid Family Leave law that expanded the definition of family to include siblings, parents-in-law, grandparents, and grandchildren. Advocates in California are seeking to expand the definition even further – as other states have done – to include those related by blood or affinity.<sup>44</sup> A broader family definition is especially important for those in the LGBTQ community, people with or caring for those with disabilities, and for the increasing number of Americans, disproportionately people of color, living in multigenerational households.<sup>45</sup>

### **D. Effective outreach and education are critical for low-wage workers' access.**

Another key lesson from California is the importance of outreach and education, especially for workers with low incomes. California made only a modest investment in outreach when the Paid Family Leave law was first enacted, and research has shown that this effort was insufficient. As a result, there were low levels of awareness of the program overall, and awareness was even lower among low-wage workers, Latinx, younger employees, and immigrants.<sup>46</sup> About 75 percent of low-income mothers in recent focus groups did not learn about the program from their employers, and many

employers appeared not to understand the policies, especially small employers without human resources staff.<sup>47</sup>

Policymakers have sought to address the awareness gap by allocating more funds to outreach and education in recent years,<sup>48</sup> including the largest investment in the program's history last year.<sup>49</sup> Following a previous investment in outreach that began in 2017, the number of Paid Family Leave claims increased.<sup>50</sup> According to a survey by the Employment Development Department, the agency's outreach campaign resulted in a slight increase in overall awareness of Paid Family Leave, and significant increases among targeted campaign audiences, especially African Americans and Hispanic respondents.<sup>51</sup>

A promising model for outreach is to provide information about Paid Family Leave where low-income families are already receiving health care and social services, such as prenatal clinics, home visiting programs, cancer centers, and WIC offices.

A monolingual Spanish-speaking father of three called us recently because he had just heard about Paid Family Leave through a WIC office where advocates had disseminated information about paid leave. He works two fulltime jobs – both of which he has held for over a decade – and had thought he could not afford to take leave for any of his older children's births. Now knowing about PFL, he was excited to take time off to support his wife and bond with his new baby in a way he had never had the chance to before.

A 2017 study by the U.S. Department of Health and Human Services on the impact of California's Paid Family Leave program on low-income families concluded, "A robust statewide outreach campaign to entities such as health professionals, social workers, and community organizations may be necessary to effectively reach low-income parents."<sup>52</sup>

The California Work and Family Coalition has worked closely with the administrative agency to identify ongoing barriers and advance solutions. It is critical that the implementing agency partner with grassroots organizations, communities of color, and immigrant communities to ensure effective outreach and equitable implementation.

#### **E. A federal paid leave program should cover all workers.**

All workers – including public employees and self-employed individuals – should have access to paid family and medical leave. In California, virtually all private employees are covered, but federal workers and many state and local public employees do not pay into

Paid Family Leave and are therefore ineligible for benefits.<sup>53</sup> A federal policy should by default cover all public and private employees, as well as self-employed and contingent workers.

#### **F. The duration of leave must be sufficient to address families' care needs.**

In California, the duration of family care and bonding claims is limited to 6 weeks, and will be extended to 8 weeks as of July 2020. Research shows that providing sufficient time for bonding and family care promotes the health of parents, children, caregivers, and ill loved ones.<sup>54</sup> Most of the states that have enacted paid family leave laws after California have provided at least 12 weeks of leave.<sup>55</sup>

One new mother, Octavia, called our helpline because her baby was born prematurely, with significant health complications. In her daughter's first months of life, she needed multiple surgeries and procedures. Octavia underwent an emergency C-section, spent weeks with her daughter in the NICU, and ran out of job-protected leave all prior to reaching her due date.

The 12 weeks contemplated by the FAMILY Act is the minimum duration of leave necessary to address the needs of families, especially those caring for children with serious health conditions or sandwich generation caregivers who may need leave to care for a child and an ill relative in the same year.

### **III. Americans Urgently Need Comprehensive Paid Leave; a Parental Leave-Only Plan and/or Imposing Social Security Cuts Would Not Meet Families' Needs.**

#### **A. Paid leave must be comprehensive to cover families' diverse care needs.**

California's experience shows that while paid parental leave is essential for families welcoming a new child, parental-leave only programs would not help most workers. Indeed, most claims in California are for a worker's own health condition.<sup>56</sup>

Moreover, with an aging population in the United States, and an increasing number of working people sandwiched between caring for young children and elderly parents,<sup>57</sup> it is more important now than ever that federal policy be expansive. It should include not just leave to bond with a new child, but also time to care for seriously ill loved ones and for employees' own health conditions.

## **B. Families should not have to trade off their retirement security to care for themselves or a loved one.**

Low-wage working families desperately need every dollar of the Social Security benefits they have earned. Cuts to Social Security would be devastating for workers who already may face poverty later in life. The government should not force families to trade off one essential benefit for another.

By using Social Security dollars to fund parental leave, the New Parents Act<sup>58</sup> would require parents to sacrifice their future wellbeing to care for their children now. This proposal would especially harm women, who are more likely than men to take bonding leave, and are also more likely to take time out of the workforce for other caregiving, which diminishes their retirement security.<sup>59</sup> This tells us that not only will women be disproportionately harmed by a Social-Security cut, they will likely be harmed by it time and time again as they take leave to care for their children, their families, and their own health. A paid leave policy that harms women for being there for their families is not a program that our country can afford.

Instead, revenue should come from employees and employers, as contemplated by the FAMILY Act. While California's program has historically been funded only by employees, since both employees and employers benefit from leave, there is growing consensus that both should share in the responsibility of investing in it. Research suggests that the vast majority of employers view paid leave as a shared responsibility between employers and employees.<sup>60</sup> Most other states' paid leave programs are financed by contributions of employers and employees.<sup>61</sup>

The FAMILY Act takes the right approach by providing new, sustainable revenue for comprehensive paid leave. A just society should ensure both retirement security and paid family and medical leave.

## **C. Enacting federal paid leave would help all Americans, including Californians.**

As every other industrialized nation has recognized, all families deserve paid leave. California led the way and other states have followed suit, showing that a paid leave social insurance program is both feasible and effective. The rest of the country cannot wait. Paid leave is a basic right that should not depend on where you live.

Last week we heard from Daniel, who wrote:

*“My wife and I are the proud parents of two children—a two year old son and a six month old daughter. Our beautiful daughter, Lulu, has a serious congenital heart defect called Tetralogy of Fallot. In two weeks she is scheduled to have the first of what might well be a series of open heart surgeries as she grows up.*

*My family knows the importance of having a federal paid family and medical leave policy that would cover all workers regardless of where they live. We moved to California in April of this year, one month after learning through an in utero ultrasound about our new baby’s heart condition. She was born in July, and had to spend some time in the ICU before coming home. My work does not provide any paid family or medical leave, but because I had just moved to California in April, I was unable to access the California Paid Family Leave when she was born in July. Of course, this contributed to an already stressful situation.*

*We are fortunate to live in Los Angeles, with doctors and facilities well equipped to perform Lulu’s surgery, and our daughter has an excellent prognosis. However, as any parent would be, we are very worried about the upcoming procedure and want to do everything we can to take care of her as she recovers. We are very grateful that because I have now lived long enough in California, I will be able to access paid leave to take time off from work and care for Lulu after her surgery. This is such an important benefit for me and my family, and for families everywhere in the US.”*

A federal program would not just benefit Americans in jurisdictions without paid leave. It would benefit all Americans, including those in states like California that have enacted their own paid family leave laws. In addition to covering public employees many of whom are currently excluded under California’s program, the FAMILY Act also would ease burdens on people whose families are spread out across the country. For example, California residents who need care from loved ones in other states to help them through a serious health issue would be able to more easily receive family care if the United States had a national baseline program in place that allowed all working people to provide or receive care, no matter where they live or work.

## **Conclusion**

California’s experience shows that paid leave works. It helps families, businesses, and our economy thrive. Congress can learn from California and the improvements our state has made and continues to make to ensure equitable access to paid family and medical leave.

Paid leave is an essential way to support the health and stability of American families. A new child or a family medical crisis should not plunge workers into poverty. Losing needed income, or worse, a job, is the last thing anyone should have to worry about when they are recovering from a serious illness, spending precious moments with a new child, or comforting a dying parent. Americans urgently need Congress to pass the FAMILY Act.

Thank you for the opportunity to testify today.

## Endnotes

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<sup>1</sup> Cal. Unemp. Code § 3301, *et seq.*; Cal. Employment Development Department (EDD), Calculating Benefit Payment Amounts, [https://www.edd.ca.gov/Disability/Calculating\\_DI\\_Benefit\\_Payment\\_Amounts.htm](https://www.edd.ca.gov/Disability/Calculating_DI_Benefit_Payment_Amounts.htm).

<sup>2</sup> Cal. Senate Bill 83, §39 (2019), amends Cal. Unemp. Code § 3301 to provide for 8 weeks of paid leave under California's Paid Family Leave program effective July 1, 2020.

<sup>3</sup> Cal. Senate Bill 1123 (2018), authored by state Senator Hannah-Beth Jackson (D - Santa Barbara), will extend Paid Family Leave to cover qualifying military exigency leave needs arising from the overseas deployment of a spouse, domestic partner, parent, or child.

<sup>4</sup> Both Paid Family Leave and State Disability Insurance are part of the same dedicated fund and are administered by the Disability Insurance branch of the California Employment Development Department. California's Disability Insurance program was created in 1946. In the 1970s, the program was extended to cover pregnancy and childbirth-related conditions. For the parent giving birth, a typical pregnancy disability claim can begin four weeks before the due date and continues until six weeks post-partum or eight weeks post-partum in the case of a C-section. Following recovery from childbirth-related disability, a birthing parent can receive an additional 6 weeks (or 8 weeks beginning July 2020) to bond with their child. Parents who do not give birth -- including fathers, same-sex partners, and adoptive and foster parents -- may begin their Paid Family Leave as soon as a baby is born or an adopted or foster child enters the home. Paid Family Leave is also available to workers who need to care for a seriously ill family member, as defined by the statute. For more information about the history of California's paid leave programs, see Ruth Milkman and Eileen Appelbaum, *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy*, at 11 (2013).

<sup>5</sup> Currently, the contribution rate is 1 percent. In 2020, weekly benefit payments range from \$50 to \$1300, and the average weekly benefit amount in 2019 was \$704. See EDD: Quick Statistics, [https://www.edd.ca.gov/about\\_edd/quick\\_statistics.htm](https://www.edd.ca.gov/about_edd/quick_statistics.htm).

<sup>6</sup> EDD: Calculating Benefit Payment Amounts, [https://www.edd.ca.gov/Disability/Calculating\\_DI\\_Benefit\\_Payment\\_Amounts.htm](https://www.edd.ca.gov/Disability/Calculating_DI_Benefit_Payment_Amounts.htm).

<sup>7</sup> See Cal. Unemp. Code § 3301, *et seq.*

<sup>8</sup> See Cal. Unemp. Code § 708.5; EDD: Disability Insurance Elective Coverage, [https://www.edd.ca.gov/Payroll\\_Taxes/Disability\\_Insurance\\_Elective\\_Coverage.htm](https://www.edd.ca.gov/Payroll_Taxes/Disability_Insurance_Elective_Coverage.htm).

<sup>9</sup> According to the EDD, 95.6% of California's employed population pays into the State Disability Insurance Fund. EDD Data, reported 2019.

<sup>10</sup> Rossin-Slater, M., Ruhm, C. J., & Waldfogel, J. (2013). The Effects of California's Paid Family Leave Program on Mothers' Leave-Taking and Subsequent Labor Market Outcomes. *Journal of Policy Analysis and Management*, 32(2), 224-245.

<sup>11</sup> Rossin-Slater, M. (2018), Easing the Burden: Why Paid Family Leave Policies are Gaining Steam. <https://siepr.stanford.edu/research/publications/paid-family-leave-policies>.

<sup>12</sup> Chatterji, P., & Markowitz, S. (2008, July). Family Leave after Childbirth and the Health of New Mothers, National Bureau of Economic Research, <http://www.nber.org/papers/w14156>; Institute for Women's Policy Research, Paid Parental Leave in the United States: What the Data Tell Us About

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