



Maine Women's Lobby

May 25, 2023

Senator Tipping, Representative Roeder, and Honorable Members of the Committee on Health and Human Services,

I join you today on behalf of the Maine Women's Lobby. We have advocated for gender justice for over 40 years – and for paid family and medical leave for most of them. I am before you today in support of LD 1964, An Act to Implement the Recommendations of the Commission to Develop a Paid Family and Medical Leave Benefits Program. We thank Senator Daughtry and Representative Cloutier for shepherding this work for so long.

Care work is the invisible underpinning of our economy. Care work - the paid or unpaid work of looking after the physical, emotional, and developmental needs of others - is also highly gendered, and 85% of Maine caregivers are women.

Unpaid family care work seems “free,” so it gets left out of many policy conversations. But care work comes at a cost, including caregivers’ and parents’ ability to fully participate in the workplace, save for retirement, find time to give back to our communities, and do what they need to for their families. **This unpaid care labor means women are more likely to work part-time or to leave the workforce altogether, limiting their ability to access health insurance or save for retirement, and reducing Social Security benefits in later life.**

Here’s how it works: families need care, whether that is tending to new babies or caring for dying parents. Most of that care is provided by women in our culture. The added burden disrupts their work life, and because most companies don’t have policies to accommodate this, so **caregivers forego their incomes (destabilizing family economic security), or leave their jobs, or work less than they would otherwise – destabilizing the workforce.**

In fact, the burden of this unpaid care, without a policy solution, has meant that women’s jobs represent 75 percent of pandemic related job losses¹, and **women’s participation in the workforce is at its lowest point in over 30 years².**

A systemic failure to invest in caregiving infrastructure such as Paid Family and Medical Leave and childcare is now showing up in a destabilized work force. Families do not have the income they need, and employers do not have the workers they need, because **we have built an economy that fails to recognize that almost no one can raise a family on a single income, and all families need time for care.**

The good news is, there is a solution. Paid Family and Medical Leave policies – plans just like this one – have been repeatedly shown for years to improve the lives of families *and* the workforce – by allowing caregivers to take the time they need, and then come back. Many states

¹ National Women’s Law Center (2022). Women Gain 83% of Jobs While 170,000 Women Leave Labor Force in June. Retrieved from <https://nwlc.org/wp-content/uploads/2022/07/June-Jobs-Day.pdf>

² National Women’s Law center. (2023). Another 275,000 Women Left the Workforce in January. Retrieved from <https://nwlc.org/resource/january-jobs-day-2021/>

have now implemented PFML, and the evidence is overwhelming: this program works to shore up families and the workforce:

- **Women with PFML are 20 percent more likely to be in the workforce** one year after having a baby, and 50 percent more likely five years after.³
- **It significantly decreases turnover costs for small businesses**, because employees are more likely to return to their jobs after paid leave.⁴
- It **improves family economic stability**, women's retirement savings, and evens out the gender- and race-pay gap.⁵
- It **improves overall health of the population**, by increasing rates of breastfeeding, bonding, family care, aging in place, vaccinations, and more – which means that the state's investment comes back.⁶

Those opposing this bill point to the cost as the reason to slow down or do less.

But this plan presents costs shared across our community – just like any insurance program – less than 50 cents per \$100 of wages.

For too long, the cost burden of caregiving has fallen on women, who sacrifice careers, physical and mental health, financial security, and retirement savings to support their families.

Choosing not to act is choosing to continue passing the costs of inaction on to individuals to bear alone, and to the small businesses who choose to continue to offer this vital benefit out of their own pockets because they know it is the right thing to do.

Thank you for your consideration.

Sincerely,



Destie Hohman Sprague, Executive Director

³ Institute for Women's Policy Research. (2020). New Study Reveals Paid Family Leave Policies Lead to 20 Percent Fewer Women Leaving the Workforce. Retrieved from <https://iwpr.org/media/press-releases/new-study-reveals-paid-family-leave-policies-lead-to-20-fewer-women-leaving-the-workforce/>

⁴ Nadeau et al. (2017). Paid Sick Days and Paid Family and Medical Leave Are Not Job Killers. Retrieved from <https://www.americanprogress.org/article/paid-sick-days-and-paid-family-and-medical-leave-are-not-job-killers/>

⁵ Bipartisan Policy center. (2021). Paid Family Leave Can Help Close the Gender Pay Gap. Retrieved from <https://bipartisanpolicy.org/blog/paid-family-leave-can-help-close-the-gender-pay-gap/>

⁶ CNN. (2016). The benefits of paid leave for children are real, majority of research says. Retrieved from <https://www.cnn.com/2015/10/29/health/paid-leave-benefits-to-children-research/index.html>

Paid Family Leave, on the Rise, Helps Women Stay in the Workforce

Employers are expanding parental leave and other PTO benefits

By Stephen Miller, CEBS

January 15, 2020

With unemployment at its lowest in 50 years, extending paid time off (PTO) for family caregiving is one way that HR professionals are revamping rewards packages outside of wage increases. A new study highlights the advantages of family PTO for employees and employers, and it's a lesson the federal government and cutting-edge companies are taking to heart as they increase family PTO benefits.

Retaining New Mothers

U.S. states that have implemented paid-leave policies (<https://econpapers.repec.org/paper/amuwpaper/2019-07.htm>) found a 20 percent reduction in the number of female employees leaving their jobs in the first year after giving birth—and up to a 50 percent reduction after five years—according to a study for the March of Dimes Center for Social Science Research. The study, conducted by the nonprofit Institute for Women's Policy Research (IWPR), analyzed labor market participation among women in California and New Jersey before and after each state launched a paid family and medical leave system. In addition, the researchers found that:

- Over the long term, family PTO nearly closed the gap in workforce participation between mothers with young children and women without minor children.
- For women without access to family PTO, nearly 30 percent dropped out of the workforce within a year after giving birth and one in five did not return for over a decade.

Many U.S. employees "will face the demands of having a baby, and many have to make serious sacrifices that affect much more than their finances," said Rahul Gupta, chief medical and health officer at the March of Dimes.

Added study co-author Kelly Jones, an assistant economics professor at American University and senior research economist at IWPR, "In most U.S. households, when a child is born, the default is that the mom steps away from the labor force at least temporarily. If she can do that in a way that guarantees her return to that job and provides partial wage replacement, we are much more likely to encourage her attachment to the workforce."

California implemented its Paid Family Leave Program in 2004, while New Jersey's Family Leave Insurance Program took effect in 2009. In addition to those states, family PTO is now mandated for certain employers in Massachusetts, New York, Rhode Island, Washington state and Washington, D.C., with bills pending in other states.

Federal Government Sets an Example

Under the federal Family and Medical Leave Act (FMLA), eligible employees can take up to 12 weeks off work after the birth or adoption of a child, but this time off is often unpaid. As a result, 1 in 4 women go back to work within 10 days of giving birth, said Rob Wilson, president of Employco USA, a national employment solutions firm.

However, legislation enacted in December (www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/trump-approves-paid-parental-leave-for-federal-workers.aspx) gives many—although not all (https://www.washingtonpost.com/politics/oops-some-federal-workers-are-not-covered-by-the-new-family-leave-law/2020/01/09/82b657b8-3248-11ea-9313-6c8a89b1b9fb_story.html)—civilian federal government employees access to paid parental leave. The law now grants 12 weeks of paid parental leave to eligible civilian government employees who welcome a new child in their homes through birth, adoption or foster care. Employees must have been at their position for at least one year to receive this benefit.

More than 80 percent of U.S. employees do not have paid parental leave, Wilson said, "so although this new legislation will only impact federal workers, we have to remember that the U.S. government is the country's biggest employer. By making this change, other companies will be inspired to follow suit, and other states may also introduce similar legislation as they see the support and positive impact of paid paternity leave for federal employees."

[SHRM members-only policies: Paid Parental Leave Policy (www.shrm.org/resourcesandtools/tools-and-samples/policies/pages/paid-parental-leave-policy.aspx)]

Employers Expand Family PTO

A number of U.S. companies recently announced expanded family PTO policies, effective Jan. 1:

Intel

Intel is expanding its U.S. paid-leave benefits (<https://newsroom.intel.com/news/intel-announces-expanded-paid-leave-benefits/#gs.n33cyx>) to lend more support to employees caring for their families and loved ones, the company said. The updated benefits include:

- Expanding paid bonding leave for new parents to 12 weeks from eight weeks, in addition to covering pregnancy leave as short-term disability for birth mothers.
- Letting new parents work a part-time schedule for up to four weeks with full-time pay. Intel also will provide breast milk shipping at no cost.
- Offering eight weeks of PTO to care for a seriously ill family member and two weeks for bereavement leave.
- Offering short-term disability coverage at regular pay for up to 52 weeks.

"When our employees and their families are supported, they perform at their best," said Julie Ann Overcash, Intel vice president of HR and global director of compensation and benefits. "We want our employees to know we are here to support them through all the situations they and their families may encounter."

Beam Suntory

The distiller of Jim Beam whiskey and other spirits now provides eligible U.S. employees with enhanced paid parental leave and flexible work policies (<https://www.beamsuntory.com/en/news/beam-suntory-to-offer-a-minimum-of-26-weeks-paid-parental-leave-enhance-flexible-working-policies>), such as:

- 26 weeks of paid parental leave for primary caregivers following the birth or adoption of a child, up from 12 weeks.
- 4 weeks of paid parental leave for secondary caregivers, which was unchanged.

This policy applies to all permanent, full-time, nonunion employees who have been with the business at least three months.

The company expanded its flexible workplace policies by giving employees the opportunity to work remotely one day each week, with job-sharing opportunities and eligibility to work compressed weeks, such as four 10-hour days.

"We are turbo-charging our global benefit offerings in 2020 to help our people bring their best selves to work and to life outside of work," said Paula Erickson, chief HR officer at Beam Suntory. "We believe that offering additional time when it's needed most, as well as greater flexibility, will lead to even better productivity and performance from our team worldwide."

Sun Life

Insurance and financial services firm Sun Life expanded paid family and medical leave benefits for all full-time and part-time workers in the U.S.

(https://www.sunlife.com/us/News+and+insights/Press+releases/2019/Sun+Life+announces+enhanced+paid+family+and+medical+leave+so+employvgnLocale=en_CA). The Enhanced Paid Family and Medical Leave program provides up to:

- 8 weeks medical leave for birth mothers to recover from childbirth.
- 16 weeks of fully paid family leave for all parents to bond with a new child, including adopted and foster children. Birth mothers thus receive up to 24 weeks paid time off for medical leave combined with paid family leave.
- 16 weeks of fully paid caregiving leave, which can be taken to care for ill family members or for a family member injured on active duty, to address matters arising from a family member called to military duty, to address issues related to domestic violence or sexual assault, or to become a bone marrow or organ donor. "We provide a broad definition of family—'chosen family'—which allows people to take leave for those close to them who may not be related by blood or marriage," said Devon Portney Fernald, a Sun Life spokesman.
- 26 weeks of paid short-term disability for an employee's own illness or injury, with the first four months at full pay, followed by long-term disability if needed.

Before the change, Sun Life offered eight weeks paid leave to recover from childbirth for birth mothers, two weeks paid leave for nonbirth parents to bond, and unpaid FMLA leave for caregivers of sick family members.

These benefits are available to all employees, whether hourly, part-time or full-time. For fully paid leave, employees must have at least one year with the company. Those with less than one year can take leave at a reduced percentage of coverage.

"Offering generous paid family and medical leave is the right thing to do for our employees and their families, and it allows them to be together in the moments that matter," said Dan Fishbein, president of Sun Life U.S. The program also aligns with the company's goal of an inclusive work culture that retains and recruits top talent from a diverse workforce, Fishbein said.

Related SHRM Articles:

Why Intel Enhanced Paid-Parental and Caregiving Leave (www.shrm.org/ResourcesAndTools/hr-topics/benefits/Pages/why-Intel-enhanced-paid-parental-and-caregiving-leave.aspx), *SHRM Online*, February 2020

Paid Leave May Be 2020's Biggest Workplace News (www.shrm.org/resourcesandtools/legal-and-compliance/employment-law/pages/2020-workplace-trends.aspx), *SHRM Online*, January 2020

How Much Parental Leave Is Too Much? (www.shrm.org/ResourcesAndTools/hr-topics/benefits/pages/how-much-parental-leave-is-too-much.aspx), *SHRM Online*, February 2019

To Improve Gender Equality, Help Men Take Parental Leave (www.shrm.org/ResourcesAndTools/hr-topics/benefits/pages/help-men-tak-parental-leave.aspx), *SHRM Online*, January 2019

[Visit SHRM's resource page on paid time off (www.shrm.org/ResourcesAndTools/Pages/Paid-Time-Off.aspx).]

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