

Pennsylvania FAMILY CARE ACT

Talking Points

As the ongoing pandemic makes painfully clear, at some point, we will ALL need to take time to care for a family member or ourselves when serious health conditions arise. This is why a bi-partisan coalition of Pennsylvania lawmakers in both the House and Senate agree that the time has come to ensure paid family leave for all workers in the Commonwealth.

Why is the Family Care Act good for workers?

Family takes care of family. By establishing a paid family medical leave insurance fund in Pennsylvania, the Family Care Act:

- Allows family members to provide critical care and rehab services to elderly loved ones at home, without risking their jobs and financial security.
- Grants parents the ability to care for their son or daughter who is recovering from a serious illness.
- Allows workers to care for themselves following a major surgery.
- Grants new moms and dads the chance to be there for the critical period following the birth or adoption of a child.

Why is the Family Care Act good for employers?

Paid Family Medical Leave Insurance is Business Friendly. Many large businesses already offer paid leave, but the majority of our small businesses can't afford to offer this critical benefit. The Paid Family Medical Leave program, funded by a small employee payroll deduction, will enable small businesses to effectively compete — without shouldering the financial burden.

- Paid leave improves employee retention, morale, and productivity, reducing employee turnover and strengthening the bottom line.
- In PA, there is a 10% gap in labor force participation between men and women, in part due to a lack of family-friendly policies.
- In states with paid family leave, businesses of all sizes reported positive outcomes, but small businesses — those with fewer than 50 employees — reported the most positive effects.
- State paid family and medical leave insurance funds remove the pay burden from employers while leveling the playing field for small and mid-size companies to retain talent. (95% of PA businesses employ fewer than 50 workers.)
- Parents with access to paid leave “are 93% more likely to be working at 9-12 months post-partum than are those who did not take any leave.”

KEY FACTS:

- 79% of Pennsylvanians favor a statewide family leave program. (67% of Republicans, 77% of Independents, and 93% of Democrats)
- A majority of businesses in PA support a statewide family leave program.
- Women who take paid leave are 39% less likely to report receiving public assistance and are 4 times less likely to need food stamps or income subsidies a year following the birth of a new child.
- 78% of seniors living at home and in need of care depend on family and friends as their source of support.
- Less than half of Pennsylvanians qualify for federal protections that let them take unpaid leave for a medical emergency. Research shows many employees don't take unpaid leave because they can't afford it.
- Every month of paid maternity/paternity leave reduces the infant mortality rate by 13%.

NUTS AND BOLTS OF LEGISLATION (HB? And SB ?) —

The insurance program would be run by the PA Department of Labor and Industry, which would pay out benefits to public and private-sector employees who take medical leave from work.

Payroll Deductions:

- Benefits would be paid through deductions from workers' wages at a rate of .588 cents on the dollar. (For a household earning \$60,000, that works out to roughly \$352 per year, or \$13.56 from each biweekly paycheck.)
- There are NO employer contributions.

Maximum Leave Duration:

- Self-care maximum is 20 weeks.
- Family care maximum is 12 weeks.
- May not exceed 20 weeks in any given year, no matter the reason.

Eligibility:

- Must have worked at least 18 weeks and earned at least \$2718 in the prior 12 months.

Employer Obligations:

- Provide job security for employee at the end of leave
- Maintain employee medical insurance during leave.

Self-Employed Option:

- The self-employed may enroll for a period of not less than 3 years.

Sliding Scale for Benefit Amount:

- Those earning under 50% of the PA Average Weekly Wage would receive 90% of their wages and those earning over 50% would receive 50% of their wages.