

Estimating Usage and Costs of Alternative Policies to Provide Paid Family and Medical Leave in the United States

Issue Brief—Worker Leave Analysis and Simulation Series¹

January 2017

This brief summarizes a simulation analysis of five different paid family and medical leave model programs based on working programs in three states and a federal proposal, all applied to the national workforce. The analysis simulates worker behavior and estimates how many paid leaves would be taken under each model, the average weekly benefit level for each leave, and the total costs of the benefits paid. The analysis estimates the cost of benefits in dollars and as a share of total payroll for the nation as a whole and across industries and establishments of different sizes. As a share of national payroll, total benefits estimated to be paid out range from 0.45 percent to 0.63 percent of payroll depending on the generosity of the model simulated.

A national policy of paid family and medical leave would fill a large existing gap in American workers' income security. Most workers lack sufficient paid time off reserved for substantial family and medical needs. The 2015 National Compensation Survey (NCS) reports that only 13 percent of workers have access to paid leave specifically to care for a newborn child, adopted child, a sick child, or a sick adult relative. A larger share, 38 percent, has access to short-term disability insurance that provides cash benefits for non-work related medical conditions, including maternity and childbirth. Some workers may also be able to access vacation time or paid sick days for illness or family care, but compared with other countries with similar wealth, the United States lags far behind in the amount of paid time available to workers to take care of their own health needs and those of their families.¹

KEY FINDINGS

- A national paid family and medical leave policy would increase workers' leave taking, paid and unpaid, by 6 to 11 percent annually, depending on the model policy.
- Paid leaves taken would average from \$428 per week to \$493 per week, depending on the model program, all well below the maximum benefit available.
- Benefits under national paid leave policy models cost between 0.45 and 0.63 percent of payroll.
- Under all models nearly three-fourths of family and medical benefits paid out is for the worker's own health; the share going to maternity and child bonding ranges from 13 to 23 percent depending on the model policy.

In this Issue Brief, we estimate the impact of five different paid family and medical leave policies at the national level.

The analysis relies on the U.S. Department of Labor (DOL) 2012 Family and Medical Leave (FMLA) survey for leave taking behavior and the American Community Survey (ACS) 2009-2013 for data about the affected workforce.

This brief is part of the Worker Leave Analysis and Simulation Issue Brief Series and is part of a study funded by the Department of Labor's Chief Evaluation Office. For more findings in the Series, please visit <https://www.dol.gov/asp/evaluation/WorkerLeaveStudy/>

¹ This project was funded, either wholly or in part, with Federal funds from the U.S. Department of Labor's Chief Evaluation Office under Contract # DOL-OPS-14-U-00040. The contents of this publication do not represent the views or policies of the Department.

FIVE NATIONAL MODELS ARE COMPARED WITH THE CURRENT SITUATION.

Because maternity and childbearing requires both sick time and family care time and because the federal Family and Medical Leave Act (FMLA) provides job protection to the majority of workers for both their own health and caregiving, the models simulated in this brief include both short-term disability leave and caregiving leaves. The analysis relies on the 2012 FMLA survey of workers for leave taking behavior and the American Community Survey (2009-2013) for data about the affected workforce.

The five alternative models analyzed include a federal proposal, the Family and Medical Insurance Leave Act (FAMILY Act), that has been introduced in both houses of Congress, and four actual policies in the three states offering paid family leave benefits (California 2002 legislation and 2016 revisions, New Jersey, and Rhode Island). These alternative policy models are applied to national workforce data to simulate program costs and benefits, representing a range of policy designs and benefit generosity.² In each of the existing state programs and the proposed FAMILY Act, family and medical leave is provided through a social insurance program. In most of the existing state programs, the program are paid for by the employees; in New Jersey and the proposed FAMILY Act, employers and employees both contribute to the program.³ *Table 1* offers an overview of key components of and differences between the policy alternatives (with more details in Appendix 1), showing how they differ in eligibility and benefits, with some substantially more generous than others.

Table 1: Description of Three Current State Family Leave Programs (including Temporary Disability) and a Federal Proposal

California Policy:	New Jersey Policy:	Rhode Island Policy:	Proposed FAMILY Act
Short-term Disability Insurance (SDI) & Paid Family Leave (PFL) (2016 Revisions in BOLD.)	Temporary Disability Insurance (TDI) & Family Leave Insurance (FLI)	Temporary Disability Insurance (TDI) & Temporary Caregiver Insurance (TCI)	
Covered Employment and Eligibility			
Covered workers must earn at least \$300 in wages in a 12-month period.	Covered workers must earn at least \$8,400 in wages in a 12-month period or earn at least \$168 in wages in the past 20 weeks.	Covered workers must earn at least \$11,520 in wages in a 12-month period, or in an alternative calculation, \$3,840.	Covered workers must be eligible for disability insurance benefits under Social Security and have income from employment in the 12-month period before the claim. ^a
Eligible Leave Uses			
Eligible SDI leave includes serious personal medical condition and pregnancy. Eligible PFL leave includes child bonding or caring for a family member.	Eligible TDI leave includes serious personal medical condition and pregnancy. Eligible FLI leave includes child bonding or caring for a family member.	Eligible TDI leave includes serious personal medical condition and pregnancy. Eligible TCI leave includes child bonding or caring for a family member.	Eligible leave includes serious personal medical condition, pregnancy, child bonding, caring for a family member or active military duty related needs.
Funding			
SDI and PFL are funded by an employee payroll deduction.	TDI is funded by an employee and employer payroll deduction. FLI is funded by an employee payroll deduction.	TDI and TCI are funded by an employee payroll deduction.	The FAMILY Act is funded by an initial trust fund appropriation and then by an employee and employer payroll deduction.

² For comparability across program designs, all models include government employees and self-employed in the eligible workforce. All models include paid time off both for own serious medical condition, including pregnancy and childbirth, and for care of other family members, including bonding with newborns. New benefit levels available in California in January 2018 are also modeled for a total of five alternative models.

³ Economists generally find that benefit costs even when paid by the employer are generally passed over time to the workers in the form of lower wages (usually as smaller and slower wage increases) and, if the workers value the benefits, employment is not reduced. See Lawrence H. Summers, "Some Simple Economics of Mandated Benefits," *The American Economic Review*, 79:2 (May 1989), pp. 177-183, and Jonathan Gruber, "The Incidence of Mandated Maternity Benefits," *The American Economic Review*, 84:3 (June 1994), pp. 622-641.

California Policy: Short-term Disability Insurance (SDI) & Paid Family Leave (PFL) (2016 Revisions in BOLD.)	New Jersey Policy: Temporary Disability Insurance (TDI) & Family Leave Insurance (FLI)	Rhode Island Policy: Temporary Disability Insurance (TDI) & Temporary Caregiver Insurance (TCI)	Proposed FAMILY Act
Weekly Benefits			
Eligible workers on SDI and PFL receive about 55% of average weekly wages, up to a cap of \$1,129 a week. Effective January 1, 2018, most workers on PFL will receive 60% or 70% of their average weekly wage, depending on their income, up to the cap.^b	Eligible workers on TDI and TCI receive about 67% of average weekly wages, up to a cap of \$615 a week.	Eligible workers on TDI and TCI receive about 60% of average weekly wages, up to a cap of \$817 a week. Workers can receive a dependency allowance that is capped at 5 dependents.	Eligible workers can receive 66 % of monthly wages up to a cap of \$4,000 a month with a monthly minimum of \$580.
Benefit Duration			
SDI benefits are payable for up to 52 weeks. PFL benefits are payable for up to 6 weeks.	TDI benefits are payable until benefits received equal one-third of total wages or 26 times the weekly benefit amount, whichever is less. FLI benefits are payable up to 6 weeks or until benefits received equal one-third of total wages.	TDI benefits are payable for up to 30 weeks. TCI benefits are payable for up to 4 weeks.	Benefits are payable for up to 12 weeks.
Job Protections			
No	No	Yes	No

Notes:

a. The eligibility criterion included in the FAMILY Act is based on the rules for Social Security Disability Insurance benefits that generally require (1) recent work within the last three years and (2) an adequate amount of covered work experience that increases with years of age. In the simulation model, eligibility was based on working one quarter (13 weeks) in the previous year and earning enough to qualify for one credit (quarter) of work under Social Security (\$1,260 in 2016).

b. The original California policy is labeled CA-55 and the new more generous benefit policy is labeled CA-Rev in the tables that follow. CA-Rev also drops the one-week waiting period for paid family leave benefits.

Source: See Appendix A.

BASED ON THE SIMULATED POLICIES, A NATIONAL PAID FAMILY LEAVE POLICY WOULD LIKELY INCREASE WORKERS' LEAVE-TAKING ACROSS THE UNITED STATES BY BETWEEN 6.0 AND 11.2 PERCENT ANNUALLY.

The simulation model estimates, in *Table 2*, the number of leaves that would be taken – paid or unpaid – by all 148,834,000 workersⁱⁱ in the United States when covered by five alternative family and medical leave program models compared with the current situation. Estimates for both the original and the recent expansions in California are included. Estimates of leaves taken under current law (which encompasses what employers do voluntarily and what they are required to do in some states) are shown in the first column. Under current law, U.S. workers take 27.5 million leaves per year for qualified family and medical reasons and about 60 percent (16.3 million) are for their own illness or serious medical conditions, excluding pregnancy and childbirth. Maternity and child bonding together account for about 16 percent, and family care for about 25 percent, of the estimated total leaves taken. Differences between the alternative program models affect the shares of the types of leave taken only slightly. Compared with the current situation, more total leaves would be taken under any of the paid leave alternatives examined; the increase in overall leaves is modest, from 6.0 percent (program modeled on New Jersey) to 11.2 percent (program modeled on California’s recently passed expansions).

Table 2: Total Number of Worker Leaves (Paid and Unpaid) Estimated Nationally Under Alternative Paid Leave Policy Models, Distribution by Type of Leave, and New Benefits

Reasons for Leave	Current	CA-55	CA-Rev	NJ	RI	FAMILY
Own Health	59.2%	59.8%	58.8%	59.3%	59.4%	59.5%
Maternity & New Child Bonding	16.1%	15.4%	15.4%	15.8%	15.6%	15.7%
Family Care	24.6%	24.8%	25.9%	24.9%	25.0%	24.8%
Total number of paid and unpaid leaves (thousands)	27,470	30,083	30,551	29,128	29,457	29,520
Percent increase from current	N/A	9.5%	11.2%	6.0%	7.2%	7.5%
Share of all leaves taken receiving program benefits	N/A	40%	38%	35%	38%	39%
Number of leaves paid by program benefit (thousands)	N/A	12,164	11,488	10,207	11,198	11,378
Average weekly benefit	N/A	\$428	\$473	\$435	\$444	\$493

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey. Percentages may not equal 100 percent due to rounding.

Table 2 also shows the estimated number of leaves that would access program benefits for partial wage replacement. The largest number of paid leaves would be taken under programs modeled on California’s nearly universal eligibility criteria. The other program designs would provide partial wage replacement for smaller numbers of leaves taken each year, likely due to a combination of program design features, such as waiting periods, eligibility criteria, benefit levels, and benefit durations. As *Table 2* shows, from 35 to 40 percent of the leaves taken under the various models receive program benefits, and the average weekly benefit varies from \$428 to \$493, a range of about 15 percent from lowest to highest. In all cases, average weekly benefits are well below the maximum benefit available. Average leave lengths are also all less than the maximum weeks available, ranging from 6.3 to 7.7 weeks; average total benefits per leave occurrence vary less in relative terms under the five programs, from \$3,037 to \$3,409 a range of about 12 percent.⁴ An additional share of leaves taken may be paid by employers offering more generous provisions than those available from these types of social insurance programs, all of which to date provide only partial pay.⁵

BENEFITS UNDER NATIONAL PAID LEAVE POLICY MODELS COST BETWEEN 0.45 AND 0.63 PERCENT OF PAYROLL.

Table 3 shows estimates of the cost of the program benefits that would be provided under alternate family and medical leave policies. Under the five policy models, the cost for benefits would range from \$31 billion (modeled on New Jersey program) to \$43 billion (modeled on the revised California program), depending on the variations in the policies. Covering more eligible workers, replacing a

⁴ For additional information about types of leave taken and associated benefits, see Appendix Table 2.

⁵ There will also be employers that reduce their current costs by shifting to the new federal program. Ruth Milkman and Eileen Appelbaum note in their 2013 book, *Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy* (Ithaca, NY: Cornell University Press), nine percent of respondents in their employer survey said paid family leave had generated cost savings for their organizations.

larger percentage of usual earnings, and offering more weeks of paid leave increase the estimated costs. According to the Census Bureau’s Current Population Survey data, in 2013 U.S. payrolls totaled \$6.8 trillion; the cost of the new family and medical leave benefits would range from 0.45 percent to 0.63 percent of total wages paid.

Table 3: National Program Benefits for Worker Leaves Taken Under Alternative Leave Policy Models by Type of Leave (in Millions) and as a Percent of Payroll

	CA-55	CA-Rev	NJ	RI	FAMILY
Own Health	\$30,997.5	\$31,662.5	\$24,654.8	\$27,775.5	\$25,135.7
Maternity & New Child Bonding	\$4,717.1	\$10,046.8	\$5,485.7	\$5,187.2	\$6,353.2
Family Care	\$965.6	\$1,308.1	\$820.1	\$775.8	\$1,223.5
Total	\$36,680.2	\$43,017.4	\$30,960.5	\$33,738.4	\$32,712.3
Total as a percent of total earnings	0.54%	0.63%	0.45%	0.49%	0.48%

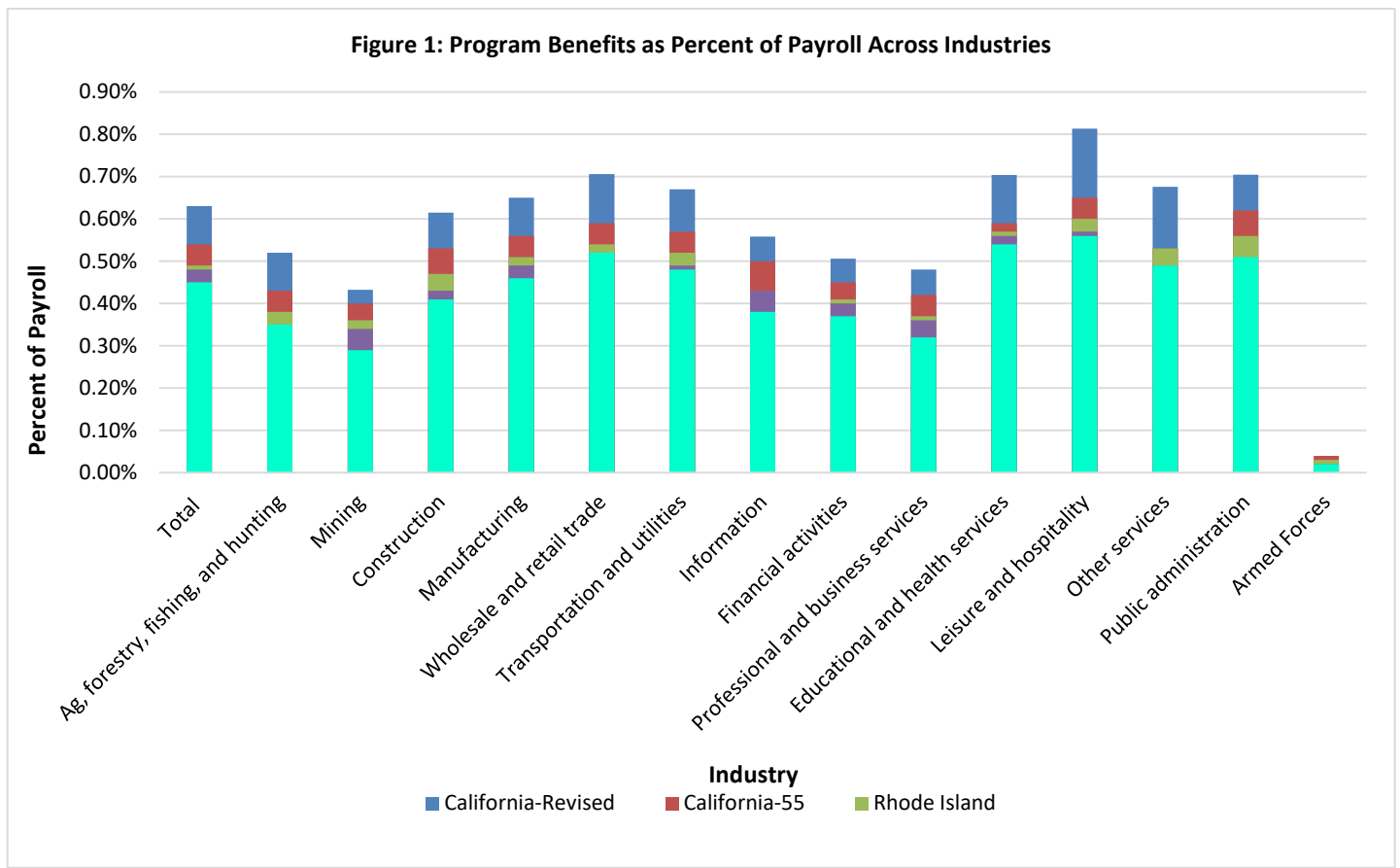
Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey. Total earnings based on IWPR analysis of 2011-2015 Current Population Surveys Annual Social and Economic supplements. Earnings were adjusted for inflation using the CPI-U-RS to 2013 dollars.

Using the FAMILY Act as an example, and comparing the distribution of benefits in Table 3 with the distribution of paid and unpaid leaves in Table 2, shows that the share of dollars spent for own health, 76.8 percent (\$25.1 billion/\$32.7 billion), is higher than the share of all leaves used for own health (59.5 percent).

BENEFITS WOULD BE DISTRIBUTED DIFFERENTIALLY ACROSS INDUSTRIES AND ESTABLISHMENT SIZES.

Figure 1 shows the estimated amount of paid family and medical leave benefits provided to workers across the 14 Census major industries as a percent of industry payrolls. Industries with lower rates of employer-provided benefits would be more likely to include workers with unmet need for paid leave who would access the new programs and receive more benefits. Under the most generous policy modeled, California’s revised program design, the costs of leave benefits range from 0.03 percent of payroll in the armed forces to 0.81 percent of payroll in leisure and hospitality services; under the least generous, based on New Jersey’s program design, benefit costs range from 0.02 percent to 0.56 percent of payroll in the same industries. Among private sector workers, those in industries with more union representation, as well as with a larger share of higher paid, white collar jobs tend to have more access to paid leave currently than those who work in other industries and thus would receive relatively fewer program benefits.⁶

⁶ For more detail on industry costs, see Appendix Table 3.

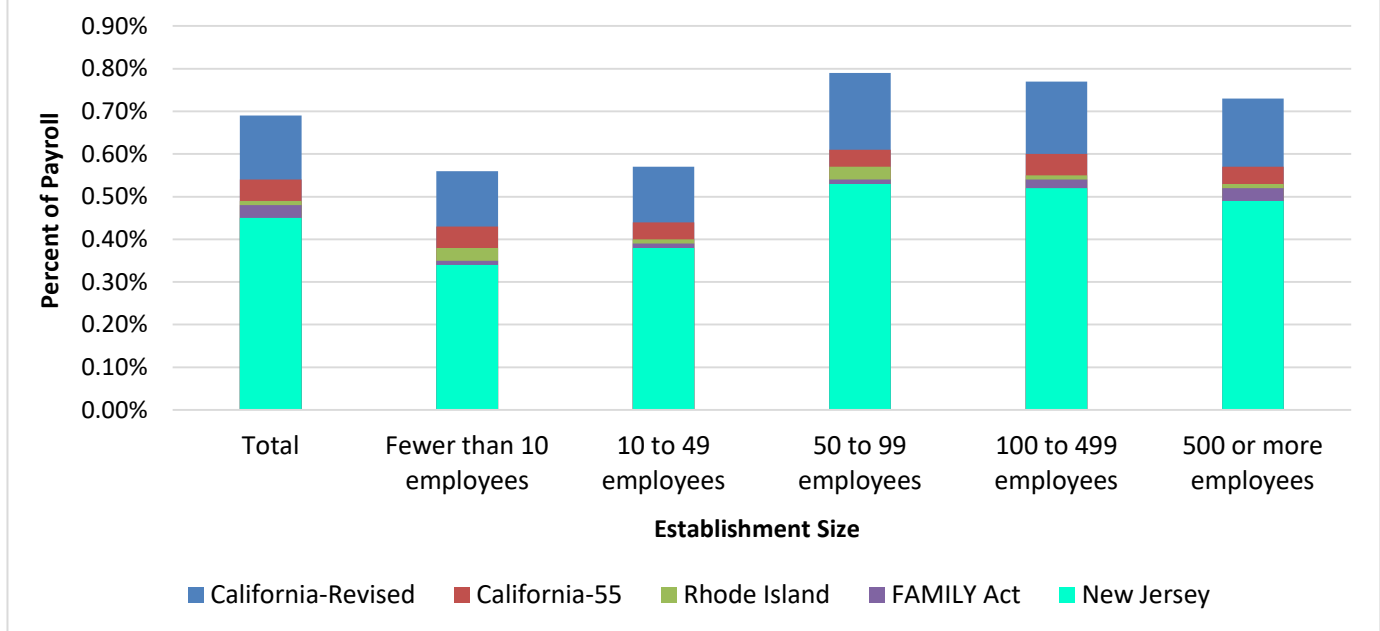


Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey.

Similar to the results shown in *Figure 1*, *Figure 2* shows the estimated amount of paid family and medical leave benefits received by workers employed in establishments of different sizes as a percent of payroll, combining the two largest categories used in the Current Population Surveys. There is less variation in benefits as a percent of payroll across establishment size than across industry, even with the current unequal distribution of employer-paid family and medical leave by establishment size (in general smaller establishments provide leave benefits to a smaller proportion of their employees than larger establishmentsⁱⁱⁱ). The model estimates show a substantially greater percent of benefits as a share of payroll for establishments of 50 or more workers, compared with smaller establishments, which is broadly equivalent to one of the most important criteria for coverage of job-protected leave under the FMLA.⁷

⁷ For more details about establishment size, see Appendix Table 4.

Figure 2: Program Benefits as Percent of Payroll Across Establishment Size



Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey.

The simulation model results, as well as administrative data in the states with paid leave programs, show that not every worker who is eligible participates in paid leave programs. Reasons for non-participation include lack of knowledge, application burden, anticipation of a short leave that would not outlast the waiting period (typically one week), anticipation that employer benefits are more generous (likely with short leaves), and lack of job security.^{iv} The likely importance of job security is shown in Figure 2, where workers in establishments of 50 or more employees would receive substantially more benefits (as a share of payroll).



APPENDIX A: NOTE ON METHODOLOGY

The Institute Women's Policy Research, together with Massachusetts economists Randy Albelda and Alan Clayton-Matthews, developed and updated a simulation model to estimate the usage and costs of family and medical leave. The model simulates specific leave-taking behavior (including number, length, benefit eligibility and benefit receipt) onto individual employees working in a state, locality, or the nation using data from the Census Bureau's 2009-2013 American Community Survey (ACS). The simulation model estimates several aspects of leave taking behavior, conditional on demographic characteristics and leave type, including the worker's own health needs, maternity-related disability, new child bonding, and family care for spouse, children, or parents. These include the probability of needing a leave, of taking a leave, of getting paid for a leave, of extending a leave if some or more pay were received, and so on.

The model uses observable leave-taking behavior available in a national, comprehensive survey of family medical leaves, the 2012 DOL FMLA Employee Survey conducted by Abt Associates under contract to the U.S. Department of Labor, for estimating the occurrence and leave behaviors around qualifying family events experienced by U.S. workers in the previous 18 months. (Leaves taken in the past 12 months are also identified.) A series of models are estimated to predict leave need, level of paid leave offered by an employer (if any), program take-up, duration, and other characteristics for each of six eligible leave types: own serious medical condition; maternity and childbirth; new child care following birth, adoption, or foster placement; care for spouse; care for children; and care for parents⁸. The model predicts the leave behaviors and characteristics as a function of the person's demographic characteristics for employed individuals in the ACS assuming that they behave similarly to the employees in the DOL FMLA Employee Survey. After each person has been passed through the entire flow, the result is a history of leave-taking behavior for a one-year period.⁹

At the time of the 2012 DOL FMLA Employee Survey, five states (California, Hawaii, New Jersey, New York, and Rhode Island) had provisions for workers to be covered by temporary disability insurance for the workers' own health needs; California and New Jersey had expanded their state programs to cover bonding with a new child and family caregiving leaves. The 2012 DOL FMLA Employee Survey asked what share of their usual earnings, if any, workers had received while taking recent leaves and included options for disability insurance and state leave programs among the sources of payments that respondents could select. The assumptions of the simulation model are that the worker would choose the compensation (employer provided wages or program benefits) that is most advantageous for herself or himself. The national estimates for leave taking and associated benefits costs reflect changes in worker behavior when national program benefits would be greater than those currently available through their existing employer or state policy.

The DOL FMLA Employee Survey data on observed behaviors are coupled with a few assumptions about unobservable behavior in the presence of a leave program including:

- How employer benefits affect leave program participation – The model assumes eligible workers compare weekly benefit amounts available in the leave program to “next best option” (employer-paid wages or uncompensated leave in most cases).
- The model also assumes a share of employers would, for longer leaves, shift their workers to the new national program benefits and then top their workers' benefits up to match the workers' benefit levels prior to the national program.
- Program Take Up Rates – The model applies a specific definition of take up at the point where an eligible worker has experienced a qualifying medical or family event and decided to take leave in order to allow the analyst to specify the share that will apply for program benefits. Reasons for less than full take up include lack of knowledge, difficulty of application or use, and lack of job security.
- How a program affects the length of worker leave:

⁸ Family and medical leave is defined in the 2012 DOL FMLA Employee Survey as leave for one's own serious health condition; caregiving for a serious health condition of a parent, spouse, relative, or child; for a new child; or to respond to the military deployment of a family member.

⁹ For more detail about the simulation model see two manuals: Randy Albelda and Alan Clayton-Matthews, 2010, *The Institute for Women's Policy Research and Labor Resource Center Paid Family and Medical Leave Simulation Model*, Washington, DC: Institute for Women's Policy Research, Report #A143, <http://www.iwpr.org/publications/pubs/the-institute-for-women2019s-policy-research-and-labor-resource-center-paid-family-and-medical-leave-simulation-model> (accessed November 23, 2016), and Alan Clayton-Matthews and Randy Albelda, 2015, *A Report and Simulation Model Presented to the Women's Bureau of the U.S. Department of Labor*, under grant no. WB-26510-14-60-A-25. <https://www.dol.gov/wb/media/MA%20Full%20Simulation%20Model.pdf> (accessed November 23, 2016).

- Short leaves may be extended according to estimates based on responses to “Would you take a longer leave if you received some/additional pay?” – a question available in the earlier 2000 DOL FMLA Employee Survey.
- Leaves lasting longer than a leave program’s benefit period, but still considered eligible for employer pay, may be extended.
- Leaves lasting more weeks than a leave program allows may be extended further even when no pay or benefits are available.

The total benefit cost estimates generated by the IWPR-ACM Model compare well to actual benefits paid in CA, NJ, and RI (taking into account the standardization of the programs imposed to make them comparable for this analysis), suggesting that the estimates for the new California program and the proposed FAMILY Act are reasonable. It is likely that the benefit costs of the FAMILY Act are slightly overestimated because the method used to estimate a worker’s earnings eligibility was generous (estimating Social Security Disability Insurance earnings eligibility requires longitudinal data not available in this study).

APPENDIX B: TABLES

Appendix Table 1: Description of Three Current State Family Leave Programs (including Temporary Disability) and a Federal Proposal

California Short-term Disability Insurance (SDI) and Paid Family Leave (PFL) (2016 Revisions in BOLD.)	New Jersey Temporary Disability Insurance (TDI) and Family Leave Insurance (FLI)	Rhode Island Temporary Disability Insurance (TDI) and Temporary Caregiver Insurance (TCI)	Proposed Federal Family and Medical Leave Insurance – the FAMILY Act
Covered Employment and Eligibility			
<p>Workers covered by the state unemployment insurance law with at least \$300 in wages that were subject to SDI contributions during a 12-month base period, are covered under both SDI and PFL programs.</p> <p>Public employers can opt into coverage; some may need to negotiate through the collective bargaining process.</p> <p>Some domestic workers are covered and those who are self-employed can opt into coverage.</p> <p>In 2016 the SDI state plan covered about 17.9 million workers.</p>	<p>Workers covered by the state unemployment insurance law with at least \$8,400 in wages or 20 base weeks of at least \$168 in covered New Jersey wages, are covered under both TDI and FLI programs. For TDI, employers may choose the State plan or obtain private coverage that is equivalent to or better than the State plan.</p> <p>Some public employers are covered, others can opt into coverage.</p> <p>Some domestic workers are covered and those who are self-employed can opt into coverage.</p> <p>In 2014 the TDI state plan covered 2,615,435 workers and FLI covered 3,782,200 workers.</p>	<p>Workers covered by the state unemployment insurance law with at least \$11,520 in wages^a in a four quarter base period are covered under both TDI and TCI programs.</p> <p>Public employers and some unions can opt into coverage; some may need to negotiate through the collective bargaining process.</p> <p>Some domestic workers are covered.</p> <p>Covered private employment was 404,411 workers in 2014.</p>	<p>Any worker eligible to receive disability insurance benefits under Social Security^b who has earned income from employment during the 12 months prior to filing a claim and has filed an application to receive Family Act benefits.^c</p>
Eligible Leave Uses			
<p>SDI benefits are payable when a covered employee cannot work due to pregnancy or a non-work related illness/injury.</p> <p>PFL benefits are payable when a covered employee takes time to bond with a child within one year of the child’s birth or foster care/adoption placement or to care for a family member with a serious health condition.</p>	<p>TDI benefits are payable when a covered employee cannot work due to pregnancy or a non-work related injury/illness.</p> <p>FLI benefits are payable when a covered employee takes time to bond with a child within one year of the child’s birth or foster care/adoption placement or to care for a family member with a serious health condition.</p>	<p>TDI benefits are payable when a covered employee cannot work due to pregnancy or a non-work related injury/illness.</p> <p>TCI benefits are payable when a covered employee takes time to bond with a child within one year of the child’s birth or foster care/adoption placement or to care for a family member with a serious health condition.</p>	<p>The insurance can be used for any qualified caregiving under the Family and Medical Leave Act of 1993.^d This includes (1) caring or bonding with a child within one year of the child’s birth or foster care/adoption placement or (2) to care for a family member with a serious health condition; or (3) to personally address a serious health condition; or (4) to provide care for a family member who is on covered active duty in the military.^e</p>
Covered Family Relationships			
Qualifying family members	Qualifying family members	Qualifying family members	Qualifying family members

California Short-term Disability Insurance (SDI) and Paid Family Leave (PFL) (2016 Revisions in BOLD.)	New Jersey Temporary Disability Insurance (TDI) and Family Leave Insurance (FLI)	Rhode Island Temporary Disability Insurance (TDI) and Temporary Caregiver Insurance (TCI)	Proposed Federal Family and Medical Leave Insurance – the FAMILY Act
include a worker’s child, parent, parent-in-law, grandparent, grandchild, sibling, and spouse or registered domestic partner.	include a worker’s child, parent, and spouse or registered domestic partner, civil union partner.	include a worker’s child, parent, parent-in-law, grandparent, and spouse or registered domestic partner.	include a worker’s child, parent, and spouse or registered domestic partner. ^f
Funding			
In 2016 SDI and PFL are funded by an employee payroll deduction of 0.9% of wages; this does not apply to annual wages above \$106,742.	In 2016 TDI is funded by an employee and employer payroll deduction. Employees contribute 0.20% of the first \$32,600 of annual wages, with a maximum yearly deduction of \$65.20. Employers contribute from 0.10% to 0.75% on the first \$32,600 of employees’ annual wages with a maximum yearly deduction of \$244. In 2016 FLI is funded by an employee payroll deduction of 0.08% of the first \$32,600 of annual wages, with a maximum yearly deduction of \$26.08.	In 2016 TDI and TCI are funded by an employee payroll deduction of 1.2% of wages; this does not apply to annual wages above \$66,300.	The FAMILY Act creates a trust fund that is initially funded through a one-time appropriation ^g and further funded through employee and employer payroll contributions in equal amounts. ^h
Weekly Benefits			
In 2016 eligible workers on SDI and PFL receive approximately 55% of average weekly wages, up to a cap of \$1,129 a week. <i>Effective January 1, 2018, most workers on PFL will receive 60% or 70% of their average weekly wage, depending on their income, up to the cap provided by the Department of Industrial Relations.</i>	In 2016, eligible workers on TDI and TCI receive two-thirds of average weekly wages in the 8 weeks before leave begins, up to a cap of \$615 a week.	In 2016 eligible workers on TDI and TCI receive 4.62% of wages in the highest earning quarter of the base year (or approximately 60% of a worker’s average weekly wage during that quarter), up to a cap of \$817 a week. A dependency allowance may be approved for workers with children younger than 18 or incapacitated children over 18 for TDI and TCI. The dependency allowance is limited to 5 dependents and is equal to the greater of \$10 or 7% of the weekly benefit rate.	For all covered workers the benefit is 66 percent of monthly wages ⁱ up to a maximum of \$4,000 per month with a monthly minimum of \$580. Benefits are paid out monthly. ^j
Benefit Duration			
SDI benefits are payable for a maximum of 52 weeks.	TDI benefits are payable until benefits received equal one-third of total wages during the base-	TDI can be received for a maximum of 30 weeks.	Up to 12 weeks in a 12 month period; this does not have to be

California Short-term Disability Insurance (SDI) and Paid Family Leave (PFL) (2016 Revisions in BOLD.)	New Jersey Temporary Disability Insurance (TDI) and Family Leave Insurance (FLI)	Rhode Island Temporary Disability Insurance (TDI) and Temporary Caregiver Insurance (TCI)	Proposed Federal Family and Medical Leave Insurance – the FAMILY Act
<p>PFL benefits are payable for up to 6 weeks in a year.</p>	<p>year, or 26 times the weekly benefit amount, whichever is less.</p> <p>FLI benefits are payable up to a maximum of 6 weeks or until benefits received equal one-third of total wages. Bonding leave must be at least 7 consecutive days. Care leave may be consecutive or intermittent.</p>	<p>TCI can be received for a maximum of 4 weeks.</p>	<p>consecutive.^k</p>
Waiting Period			
<p>There is a 7 day unpaid waiting period. There is no additional waiting period for new child bonding immediately following a pregnancy-related leave.</p> <p>Effective January 1, 2018, there will be no waiting period for PFL benefits.</p>	<p>There is a 7 day unpaid waiting period; if benefits are payable at any point in the 3 consecutive weeks following the waiting period then the waiting period can be reimbursed. There is no additional waiting period for new child bonding immediately following a pregnancy-related leave.</p>	<p>None.</p>	<p>Yes – there is a 5 day unpaid waiting period.^l This may be satisfied if the worker participated in 15 or more days of qualified care in the month before the start of the new benefit period.</p>
Job Protections			
<p>No. SDI and PFL do not provide job protection directly, though some workers may be eligible for job protection under other laws, such as the federal FMLA or the California Fair Employment and Housing Act and Family Rights Act (CFRA).</p>	<p>No. FLI does not provide job protection, though some workers may be eligible for job protection under other laws, such as the FMLA or the New Jersey Family Leave Act (NJFLA).</p>	<p>Yes. TCI requires that a worker be restored to the position the worker held before leave or to a comparable position. Some workers may be eligible for additional protection under other laws, such as the FMLA or the Rhode Island Parental and Family Medical Leave Act (RIPFMLA).</p>	<p>No. the FAMILY Act does not require employers with fewer than 50 employees to hold positions for employees or reinstate them (although the Family Act does make it unlawful for an employer to discharge or discriminate against any worker for using, applying for, or indicating an intention to apply for benefits.^m</p>
Effective Dates			
<p>SDI 1946, PFL 2004, and PFL expansions 2018.</p>	<p>TDI 1948 and FLI 2009.</p>	<p>TDI 1942 and TCI 2014.</p>	<p>Proposed.</p>
Enforcing Agency			

California Short-term Disability Insurance (SDI) and Paid Family Leave (PFL) (2016 Revisions in BOLD.)	New Jersey Temporary Disability Insurance (TDI) and Family Leave Insurance (FLI)	Rhode Island Temporary Disability Insurance (TDI) and Temporary Caregiver Insurance (TCI)	Proposed Federal Family and Medical Leave Insurance – the FAMILY Act
Employment Development Department's Disability Insurance Branch	Department of Labor and Workforce Development, Division of Temporary Disability Insurance (Family Leave Insurance is administered by the same division.)	Department of Labor and Training	The legislation would establish the Office of Paid Family and Medical Leave within the Social Security Administration to be headed by a Deputy Commissioner to be appointed by the Commissioner.

Notes:

- a: Workers may also qualify if they earned at least \$1,920 in one of their base period quarters, their total base period taxable wages were at least one and a half times their highest quarter of earnings, or their base period taxable wages equal at least \$3,840.
- b: Eligibility for disability benefits under Social Security depends on several factors including age, earnings, and duration of work, among other factors. For more information about disability eligibility and benefits under social security please see <https://www.ssa.gov/pubs/EN-05-10029.pdf>.
- c: FAMILY ACT <https://www.congress.gov/bill/114th-congress/senate-bill/786>
- d: FAMILY ACT <https://www.congress.gov/bill/114th-congress/senate-bill/786>
- e: Department of Labor <https://www.dol.gov/whd/regs/compliance/whdfs28.pdf>
<https://www.dol.gov/whd/fmla/>
- f: <http://www.nationalpartnership.org/research-library/work-family/coalition/family-act-faq.pdf>
- g: This must be paid back in 10 years. <https://www.congress.gov/bill/114th-congress/senate-bill/786/text>
- h: <http://www.nationalpartnership.org/research-library/work-family/coalition/family-act-faq.pdf>
- i: <http://www.nationalpartnership.org/research-library/work-family/paid-leave/family-act-fact-sheet.pdf>
http://delaware.house.gov/index.php?Itemid=21&catid=2&id=1477:delaware-gillibrand-introduce-family-and-medical-insurance-leave-act&option=com_content&view=article
- j: <https://www.congress.gov/bill/114th-congress/senate-bill/786/text>
- k: Bill text <https://www.congress.gov/bill/114th-congress/senate-bill/786/text>
- l: <http://www.nationalpartnership.org/research-library/work-family/paid-leave/family-and-medical-insurance-act-section-by-section.pdf>
- m: <http://www.nationalpartnership.org/research-library/work-family/coalition/family-act-faq.pdf>

Appendix Table 2: National Worker Leaves Claiming Benefits Under Alternative Leave Policy Models by Types of Leaves Taken

	CA-55	CA-Rev	NJ	RI	FAMILY
Number of leaves and percent distribution					
Own Health	69.0%	59.7%	68.6%	68.6%	68.4%
Maternity & New Child Bonding	21.9%	28.9%	23.1%	22.8%	22.9%
Family Care	9.1%	11.4%	8.2%	8.6%	8.7%
Total (thousands)	12,164	11,488	10,207	11,198	11,378
Length of leaves (mean weeks) per year					
Own Health	9.4	8.8	8.6	8.7	7.0
Maternity & New Child Bonding	4.6	4.8	5.9	5.2	5.5
Family Care	2.6	2.4	2.5	2.1	3.1
Total	7.7	7.3	7.5	7.3	6.3
Average (mean) leave benefits per year					
Own Health	\$3,881	\$4,138	\$3,724	\$3,817	\$3,439
Maternity & New Child Bonding	\$1,877	\$2,214	\$2,421	\$2,137	\$2,547
Family Care	\$890	\$959	\$1,000	\$827	\$1,266
Total	\$3,166	\$3,409	\$3,109	\$3,170	\$3,037
Total cost of worker leaves and percent distribution					
Own Health	84.5%	73.6%	79.6%	82.3%	76.8%

Maternity & New Child Bonding	12.9%	23.4%	17.7%	15.4%	19.4%
Family Care	2.6%	3.0%	2.6%	2.3%	3.7%
Total (millions)	\$36,680.2	\$43,017.4	\$30,960.5	\$33,738.4	\$32,712.3

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey.

Appendix Table 3: New Program Benefits for Leaves Taken Nationally Under Alternative Leave Policy Models by Industry

	CA-55	CA-Rev	NJ	RI	FAMILY
Program Benefits (\$ Millions)					
Agriculture, forestry, fishing, and hunting	\$336.6	\$404.0	\$274.2	\$291.6	\$273.6
Mining	\$281.3	\$305.5	\$207.1	\$251.9	\$237.5
Construction	\$2,134.4	\$2,470.6	\$1,662.5	\$1,868.7	\$1,734.7
Manufacturing	\$4,463.9	\$5,216.0	\$3,704.2	\$4,109.4	\$3,916.6
Wholesale and retail trade	\$4,438.6	\$5,287.3	\$3,869.5	\$4,069.2	\$3,869.9
Transportation and utilities	\$2,046.7	\$2,405.6	\$1,728.7	\$1,863.6	\$1,777.2
Information	\$960.9	\$1,062.9	\$728.9	\$810.0	\$827.7
Financial activities	\$2,885.7	\$3,263.7	\$2,409.9	\$2,632.7	\$2,608.5
Professional and business services	\$4,246.1	\$4,830.6	\$3,208.4	\$3,674.2	\$3,591.1
Educational and health services	\$9,074.1	\$10,784.2	\$8,211.0	\$8,785.0	\$8,643.3
Leisure and hospitality	\$2,108.1	\$2,624.6	\$1,815.2	\$1,920.2	\$1,841.2
Other services	\$1,176.4	\$1,495.7	\$1,081.0	\$1,162.7	\$1,081.7
Public administration	\$2,510.4	\$2,852.8	\$2,052.7	\$2,286.6	\$2,300.6
Armed Forces	\$17.0	\$13.9	\$7.2	\$12.7	\$8.6
Total	\$36,680.2	\$43,017.4	\$30,960.5	\$33,738.4	\$32,712.3
Program Benefits as a Percent of Industry and Total Earnings					
Agriculture, forestry, fishing, and hunting	0.43%	0.52%	0.35%	0.38%	0.35%
Mining	0.40%	0.43%	0.29%	0.36%	0.34%
Construction	0.53%	0.61%	0.41%	0.47%	0.43%
Manufacturing	0.56%	0.65%	0.46%	0.51%	0.49%
Wholesale and retail trade	0.59%	0.71%	0.52%	0.54%	0.52%
Transportation and utilities	0.57%	0.67%	0.48%	0.52%	0.49%
Information	0.50%	0.56%	0.38%	0.43%	0.43%
Financial activities	0.45%	0.51%	0.37%	0.41%	0.40%
Professional and business services	0.42%	0.48%	0.32%	0.37%	0.36%
Educational and health services	0.59%	0.70%	0.54%	0.57%	0.56%
Leisure and hospitality	0.65%	0.81%	0.56%	0.60%	0.57%
Other services	0.53%	0.68%	0.49%	0.53%	0.49%
Public administration	0.62%	0.70%	0.51%	0.56%	0.57%
Armed Forces	0.04%	0.03%	0.02%	0.03%	0.02%
Total	0.54%	0.63%	0.45%	0.49%	0.48%

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey. . Total earnings based on IWPR analysis of 2011-2015 Current Population Surveys Annual Social and Economic supplements. Earnings were adjusted for inflation using the CPI-U-RS to 2013 dollars.

Appendix Table 4: New Program Benefits for Leaves Taken Nationally Under the Alternative Leave Policy Models by Size of Establishment

	CA-55	CA-Rev	NJ	RI	FAMILY
Program Benefits (\$ Millions)					
Fewer than 10 employees	\$5,019.1	\$5,992.6	\$3,918.4	\$4,385.4	\$4,093.0
10 to 49 employees	\$3,883.5	\$4,661.6	\$3,332.4	\$3,568.8	\$3,482.4
50 to 99 employees	\$2,838.6	\$3,356.0	\$2,438.1	\$2,642.1	\$2,507.6
100 to 499 employees	\$5,194.0	\$6,056.8	\$4,486.9	\$4,757.0	\$4,693.6
500 or more employees*	\$19,745.0	\$22,950.3	\$16,784.7	\$18,385.2	\$17,935.7
Total	\$36,680.2	\$43,017.4	\$30,960.5	\$33,738.4	\$32,712.3
Program Benefits as a Percent of Earnings in Each Establishment-Size Category					
Fewer than 10 employees	0.43%	0.51%	0.34%	0.38%	0.35%
10 to 49 employees	0.44%	0.53%	0.38%	0.40%	0.39%
50 to 99 employees	0.61%	0.72%	0.53%	0.57%	0.54%
100 to 499 employees	0.60%	0.70%	0.52%	0.55%	0.54%
500 or more employees*	0.57%	0.66%	0.49%	0.53%	0.52%
Total	0.54%	0.63%	0.45%	0.49%	0.48%

Source: Estimates based on IWPR-ACM Family Medical Leave Simulation Model (FML2, June 2016) based on 2012 FMLA Employee survey and 2009-2013 American Community Survey. . Total earnings based on IWPR analysis of 2011-2015 Current Population Surveys Annual Social and Economic supplements. Earnings were adjusted for inflation to 2013 dollars using the

ⁱ Bureau of Labor Statistics, “Insurance benefits: Access, participation, and take-up rates, civilian workers,” *National Compensation Survey: Employee Benefits in the United States* (March 2015) <<http://www.bls.gov/ncs/ebs/benefits/2015/ownership/civilian/table16a.pdf>> (accessed September 15, 2016); Jody Heymann, Hye Jin Rho, John Schmitt, and Alison Earle, “Contagion Nation: A Comparison of Paid Sick Day Policies in 22 Countries,” Center for Economic Policy Research (May 2009) <<http://cepr.net/documents/publications/paid-sick-days-2009-05.pdf>> (accessed September 15, 2016); William Adema, Chris Clarke, and Valerie Frey, “Paid Parental Leave and Other Supports for Parents with Young Children: The United States in International Comparison,” *International Social Security Review* 69 (2): 29-51 (2016).

ⁱⁱ Department of Labor, Bureau of Labor Statistics. “Table 1. Employment status of the civilian noninstitutional population, 1945 to date.” *Employment and Earnings 2015*. http://www.bls.gov/opub/ee/2016/cps/annavg1_2015.pdf

ⁱⁱⁱ Department of Labor, Bureau of Labor Statistics. “Table 32. Leave benefits: Access, civilian workers, March 2016” in *Bulletin 2785: National Compensation Survey: Employee Benefits in the United States, March 2016*. (<http://www.bls.gov/ncs/ebs/benefits/2016/ownership/civilian/table32a.pdf>)

^{iv} Klerman, Jacob, Kelly Daley, and Alyssa Pozniak. 2014. Family and Medical Leave in 2012: Technical Report. Cambridge, MA: Abt Associates Inc. (<https://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Technical-Report.pdf>),

California Employment Development Department. 2015. Paid Family Leave Market Research.

(http://www.edd.ca.gov/disability/pdf/Paid_Family_Leave_Market_Research_Report_2015.pdf). Silver, Barbara, Helen Mederer, and Emilija Djurdjevic. 2016.

“Launching the Rhode Island Temporary Caregiver Insurance Program (TCI): Employee Experiences One Year Later.” Final Report Submitted to the U.S.

Department of Labor Women’s Bureau on behalf of the Rhode Island Department of Labor and Training

(<http://www.dlt.ri.gov/tdi/pdf/RIPaidLeaveFinalRpt0416URL.pdf>).