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RESEARCH REPORT

Understanding Equity in Paid Leave through Microsimulation: National Report

Projecting Benefits, Cost, and Impact on Poverty and Means-Tested Benefits under a National Paid Family and Medical Leave Program

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Executive Summary

State paid family and medical leave (PFML) programs allow workers to take leave from their job and replaces a portion of their earnings when they experience a serious medical condition, to care for a family member with a serious health condition, or to welcome a new child are expanding at the state level. The number of states with PFML programs is increasing and older programs are enhancing benefits, covering more workers and exploring ways to increase take-up. However, most states do not have PFML programs, and many workers are not covered by employer-provided leave benefits. As a result, large disparities in access to and use of paid leave benefits exist, particularly by income. For example, civilian workers in the highest wage quintile are 10 times more likely to have access to paid family leave than workers in the lowest quintile.¹ Similarly, roughly 40 percent of all civilian workers have access to short-term disability insurance while only 1 in 10 of the lowest 10 percent of earners do have access to this employer-provided benefit (Weston Williamson 2023a). Workers without access to PFML are also more likely to experience material hardship, lack health insurance, and have difficulty paying for emergency expenses or basic needs, such as food, housing, and health care (Boyens, Karpman, and Smalligan 2022). To address disparities in worker access to paid leave, policymakers have proposed establishing a national PFML program.

This report focuses on the impact of adopting a national PFML program modeled on existing state programs, known as the Family and Medical Insurance Leave (FAMILY) Act. We use two microsimulation models to estimate the impact of enacting the FAMILY Act in 2018, the most recent year for which we have data for both models. First, we use an enhanced version of the Department of Labor's Worker Paid Leave Usage Simulation (Worker PLUS) model to estimate eligibility, participation, and benefits under a national PFML plan. Second, we use the Urban Institute's Analysis of Transfers, Taxes, and Income Security (ATTIS) model to measure the impact of newly available PFML benefits on individual and family income, the poverty rate and poverty gap using the Supplemental Poverty Measure, and changes in eligibility and participation in means-tested programs. The integrated models account for changes in short-term work behavior due to newly gained access to PFML benefits. They

¹ Vicki Shabo, "A Nation of Paid Family Leave Have- and Have-Nots Characterizes the United States in 2023," *New America* (blog), September 21, 2023, <https://www.newamerica.org/better-life-lab/blog/bls-family-leave-2023/>.

also account for existing state PFML benefits already being provided in California, New Jersey, New York, and Rhode Island in 2018. We find the following:

- The FAMILY Act would significantly expand access to and use of PFML. Approximately 164 million people, 97 percent of workers, would be eligible for benefits under the program. Workers who are not eligible include those do not meet the minimum earnings threshold of \$2,000 in 2024 and people working for foreign employers.
- The FAMILY Act would reduce poverty in the United States. Using the Supplemental Poverty Measure (SPM), we estimate that the poverty rate would be reduced by over 16 percent among people in families receiving PFML benefits and by 1 percent across the full population.
 - » In addition, the SPM poverty gap—a measure of the additional resources needed to lift all poor families up to the poverty threshold—would be reduced by 23 percent among people in families who receive benefits and by 1 percent among all families.
- The FAMILY Act would also narrow existing disparities in poverty by reducing poverty the most for groups with the highest poverty rates.
 - » Poverty rate reductions would be largest among Black, non-Hispanic (2.5 percentage points), and Hispanic (2.3 percentage points) families receiving benefits.
- Under the FAMILY Act government spending on other means-tested programs would decline by approximately \$1.5 billion.
 - » As a percentage of total program spending, the largest reductions would occur in WIC and TANF, which would see reductions of 2.7 and 2.6 percent, respectively. The largest spending reduction would come from SNAP, which would be reduced by \$1 billion.
- An estimated 4.9 percent of all workers, 8 million individuals, would take a covered paid leave, representing 9.2 million leaves taken in total and approximately \$43 billion in annual benefit payments.
- Over half of all leaves, 56 percent, would be taken for a worker’s own health, 36 percent for maternity and bonding, and 8 percent to care for a family member with a serious health condition.
- The total estimated cost of benefits under the FAMILY Act is approximately 0.46 percent of total taxable earnings.

In conclusion, we find that a federal PFML program with equitable policy design features, including broad worker coverage, low earnings requirements, progressive wage replacement and other features modeled on recent state programs would significantly increase access to and use of PFML and reduce poverty. The FAMILY Act would help close disparities in access and usage of leave and the poverty rate by income, hours worked, and race and ethnicity. Benefits provided under the FAMILY Act would provide higher levels of wage replacement for low-wage workers and allow them to replace unpaid leave days with paid leave days. Higher-income workers would also take more leave. Overall, the FAMILY Act would have a strong anti-poverty effect and enhance income security for more workers when they experience health and caregiving needs.

In the remainder of this report, we begin by describing the current landscape of state paid family and medical leave programs, including key policy levers affecting equitable access to paid leave, and how paid family and medical leave benefits interact with means-tested programs and their emerging role in the US social safety net. We then describe a proposal to establish a national paid family and medical leave program modeled on existing state programs, known as the Family and Medical Insurance Leave (FAMILY) Act. Next, we briefly describe our research questions and methods (more detail on the microsimulation models, assumptions, and approach are also provided in the appendix).

We describe our findings in two sections:

- How would the FAMILY Act impact worker access to and usage of PFML? How much would workers receive in benefits and how would they be distributed by demographic group and benefit type?
- Would benefits provided under the FAMILY Act reduce poverty overall and for families who took benefits? How would taxes and participation in other safety net programs be affected? After accounting for interactions with other tax and income security programs, how much would families' incomes change?

We conclude with a discussion of policy implications and suggestions for future research.

Current Landscape of State Paid Family and Medical Leave Programs

As of 2024, 13 states plus the District of Columbia have enacted paid family and medical leave (PFML) programs. Seven of these states enacted PFML programs in the last five years.² Ten of these programs are currently providing benefits to workers: California, Colorado, Connecticut, District of Columbia, Massachusetts, New Jersey, New York, Oregon, Rhode Island, and Washington. Four are in the planning and implementation phase, including Delaware, Maine, Maryland, and Minnesota. Approximately 112 million people, one-third of the total U.S. population, now lives in a state with a paid family and medical leave program.³

As more states adopt paid leave programs, existing state programs are also expanding to cover more workers, provide enhanced benefits and adopt practices that increase access for underserved communities. As we discuss in an accompanying report (Boyens, Smalligan et al. 2024), there are several key policy levers and implementation practices that affect equitable access to and use of PFML benefits:

- **Policy levers:** coverage and eligibility, wage replacement rates, duration limits, waiting periods, job protections, definitions of family, intermittent leave allowance, private plans, and return-to-work supports and accommodations, and small business incentives
- **Implementation practices:** outreach and education, timeliness of payments, public versus private administration of benefits, and use of standardized medical guidelines for making medical leave determinations.

The trend among state paid family and medical leave programs is to cover more workers by including the self-employed and state and local government workers, and reaching more low-wage workers by lowering the minimum earnings requirement and avoiding requirements on the number of hours worked. Programs are also adopting more progressive benefit formulas that replace a larger

² For a comprehensive list of state PFML programs and detailed descriptions, see “Interactive Overview of Paid Family and Medical Leave Laws in the United States,” A Better Balance, accessed September 25, 2024, <https://www.abetterbalance.org/family-leave-laws/> and “State Paid Family & Medical Leave Insurance Laws,” National Partnership for Women & Families, accessed September 25, 2024, <https://nationalpartnership.org/wp-content/uploads/2023/02/state-paid-family-leave-laws.pdf>.

³ Authors’ calculation using US Census population data for 2023, see “State Population Totals and Components of Change: 2020-2023,” US Census Bureau, accessed September 25, 2024, <https://www.census.gov/data/tables/time-series/demo/popest/2020s-state-total.html>.

percentage of earnings for lower wage workers, eliminating waiting periods, expanding the definition of family for caregiving leave, allowing leave to be taken intermittently, and offering small business incentives. All recently enacted state programs provide at least 12 weeks of leave for each type of leave. However, the maximum number of weeks varies by state and by type of leave. California and Rhode Island currently provide less than 12 weeks for family leave. Several states provide more than 12 weeks of leave for a serious medical condition. In addition, most programs allow workers who experience the need for both medical and family caregiving leave in the same year to take longer than 12 weeks in total, such as the need for medical leave related to pregnancy and childbirth and time to bond with a new infant following birth. States are also experimenting with grants to improve outreach and education for workers about paid leave benefits that target underserved communities. States are working on making their websites and program information more accessible and available in languages other than English, ensuring that payments are made quickly, and some use standardized medical guidelines to inform medical leave determinations. Many states also provide leave for additional reasons, such as military exigency leave, “safe” leave for survivors of family violence, and bereavement leave.

Some states allow private plans, which allow employers to provide the PFML benefit directly to their employees if the benefits meet certain standards. However, lack of data prevents understanding of how employer provision of state PFML benefits affects workers’ access to and use of paid leave. One state is contracting out a portion of the administrative operations of their paid leave program but faces questions about elevated claim denial rates. In the future, states could also support positive employment and health outcomes for workers taking paid leave through return to work supports and expanded education on the right to certain work accommodations.

Paid Leave, the Safety Net, and Poverty

The growing number of states offering paid family and medical leave benefits and expanded coverage of lower-wage workers suggests that paid leave programs are set to play an increasingly important role in the U.S. social insurance system and could have a strong antipoverty effect. PFML programs provide benefits to workers when they face a serious health condition or caregiving need that disrupts their ability to work. For lower-wage workers and those without access to employer-provided paid leave, the need to take leave can lead to loss of income, including job loss, at a critical time. PFML programs could improve income stability and boost family incomes, lifting families out of poverty, or near poverty, if they adopt equitable policy design and implementation practices. To fully understand how PFML benefits would affect low-wage workers and their families, it is also important to account for the ways

that PFML benefits can affect taxes and eligibility and benefits in means-tested programs that also support working families.

In a related report, we examine how several key means-tested programs treat PFML benefits for purposes of eligibility and benefits, as well as their state and federal tax treatment (Boyens, Hueston et al. 2024). In general, we find that paid family and medical leave benefits are considered countable income for determining eligibility and benefits. Receipt of paid leave would generally reduce eligibility for means-tested programs and amounts received. However, paid leave benefits were often not addressed in state program manuals, suggesting a need for better policy coordination between means-tested benefits and paid leave programs. Paid family and leave benefits are generally expected to be taxable at the federal level, however guidance on federal taxation of benefits has not been issued by the IRS, creating uncertainty for workers, public administrators and employers. In addition, the extent to which benefits are taxable may depend on the reason for taking leave and whether the benefit was funded by an employer. States also vary in whether they subject benefits to state income taxation.

We expect paid leave benefits to reduce both poverty and participation in other government assistance programs when it increases income by replacing what otherwise would have been unpaid leave days for a worker. For example, if a worker was only covered by the Family and Medical Leave Act prior to enactment of a PFML program, they may have taken unpaid leave when they developed a serious health condition.⁴ In the presence of a new PFML program, the worker receives a PFML benefit when they would have had no earnings, thereby increasing their total income. At the same time, some workers will take more paid leave days than they otherwise would have if a new national PFML program were in place. For those workers, their income may go down because they replace days of regular wages with days when they receive a PFML benefit that only replaces a portion of their wages. For example, a worker who just gave birth and only had access to one month of paid leave because they saved up their vacation and sick leave may now take three months of leave under a newly established PFML program. Total income for this worker would fall. These effects on total income and poverty do not capture broader improvements in workers' economic utility and well-being when workers take needed additional leave or from reduced financial strain from being able to take leave and receive partial wage-replacement.

Paid leave could also reduce disparities in poverty rates by race and ethnicity. Using results from a prior analysis by Hartmann and Hayes (2022), the Urban Institute found that paid leave benefits

⁴ The FMLA entitles eligible employees of covered employers to take unpaid, job-protected leave for specified family and medical reasons. For more information on the FMLA, see "Family and Medical Leave Act," US Department of Labor, accessed September 25, 2024, <https://www.dol.gov/agencies/whd/fmla>.

provided under the FAMILY Act would narrow existing gaps in access to paid leave by race and ethnicity (Balu et al. 2022). This suggests that a paid leave benefit program that effectively reaches low-wage workers may similarly combat disparities in poverty rates.

FAMILY Act

In every Congress since 2013, legislators have proposed a version of the Family and Medical Leave Insurance (FAMILY) Act that would provide paid family and medical leave to nearly all workers. While the details of the bill have evolved over time, its purpose has remained the same: to provide workers with access to affordable, inclusive, and comprehensive leave benefits. The most recent iteration of the legislation (S.1714 and H.R.3481), introduced in the 118th Congress by Senator Kirsten Gillibrand [D-NY] and Representative Rosa DeLauro [D-CT], incorporates best practices from state paid leave programs to expand workers' access to benefits (Weston Williamson 2023b). Compared with prior versions, the FAMILY Act of 2023 adopts a broader standard of worker coverage and lower earnings eligibility threshold, as well as other changes.

Administered by the Social Security Administration, the FAMILY Act would provide workers up to 12 weeks of paid leave for a qualifying event: to bond with a new child after their birth, placement or adoption; to care for one's own serious health condition; to care for a family member with a serious health condition; for needs related to sexual or domestic violence; and for deployment-related and military family caregiving needs.⁵ Similar to many state programs, the proposal would use a progressive benefit structure that provides lower-wage workers a higher replacement rate. The plan would replace 85 percent of monthly earnings below \$1,257, plus 69 percent of monthly earnings between \$1,257 and \$3,500, and 50 percent of monthly earnings between \$3,500 and \$6,200.⁶ The maximum allowable benefit is capped at \$4,000 per month.⁷ Benefits would begin being paid out 18 months after enactment and would be payable from the first day of leave. In a change from prior versions of the bill, the latest

⁵ FAMILY Act, S. 1714, Section 2(5)(B).

⁶ FAMILY Act, S. 1714, Section 4(b)(2)(A)(i-iii).

FAMILY Act, S. 1714, Section 4(b)(2)(B)(i).

⁷ These values reflect those that would be in place if benefits were to begin in 2024. In any year thereafter, the benefits and income amounts would be adjusted annually.

FAMILY Act, S. 1714, Section 4(b)(3)(A).

version would not impose a seven-day waiting period to receive benefits, which is often required for medical leave in state programs.

Under the FAMILY Act, workers would be eligible to receive paid family and medical leave, including employees of a state or local government and workers paid as independent contractors, including gig workers. The FAMILY Act's lower earnings threshold compared with some existing state plans would also extend coverage to more low-wage workers and people of color, many of whom do not currently qualify for unpaid leave under the FMLA or for benefits in some state programs due to restrictions on recent earnings, worksite size, tenure length, and hours worked (Brown et al. 2020a). To qualify for benefits, a worker must satisfy two requirements (Weston Williamson 2023b):

1. The worker must have earned some income (greater than \$0) during the calendar quarter that ends four months prior to the start of the benefit period and ends the month before the start of the benefit period,⁸ and
2. The worker must have earned at least the specified amount of wages and self-employment income during the most recent eight calendar quarters that ends four months prior to the individual's benefit period.⁹ If the benefit period begins in 2024, the 'specified amount' is equal to \$2,000.¹⁰

In addition to these standards, an employee can only take family leave for a qualifying individual. According to the 2023 FAMILY Act, "family" includes an employee's spouse (including a domestic partner in a civil union or other registered domestic partnership), child or child's spouse, parent or parent's spouse, sibling or sibling's spouse, grandparent or grandparent's spouse, grandchild or grandchild's spouse, and any other individual who is related by blood or affinity and whose association with the employee is the equivalent of a family relationship.¹¹ This definition of "family" is similar to many states' paid leave policies and reflects the recognition of nontraditional family structures in the United States. Workers of color, who are more likely to live in multi-generational households, and LGBTQ+ individuals are more likely to qualify under this expanded definition (Bowman et al. 2016; Kim et al. 2023).

⁸ FAMILY Act, S. 1714, Section 4(a)(1)(C).

⁹ FAMILY Act, S. 1714, Section 4(a)(1)(D).

¹⁰ FAMILY Act, S. 1714, Section 4(a)(2).

¹¹ FAMILY Act, S. 1714, Section 2(5)(B)(ii)(I).

While on leave, workers are offered several protections from employer retaliation and discrimination. Employers must provide individuals who have been employed for longer than 90 days with continuous health care coverage while on leave.¹² Upon returning to work, the employer is also required to restore employees to their original position or one that is equivalent in seniority, pay, and other terms and conditions of employment.¹³ These provisions are commonly referred to as rights to reinstatement or jobs protections and are more extensive than protections guaranteed under the FMLA. Importantly, the FAMILY Act would not preempt state PFML programs, rather existing state PFML benefits would be coordinated with FAMILY Act benefits.

Government cost estimates are not yet available for the 2023 FAMILY Act. The FAMILY Act would be funded by a 0.4 percent payroll tax, shared equally by employees and employers, plus general revenue to cover any additional cost.¹⁴ Employees and employers would each be taxed at a rate of 0.2 percent of earnings received in the calendar year. Self-employed individuals would pay both portions.¹⁵ The bill would use the Medicare taxable wage base, which makes all earned income subject to taxation, including tax deferred pension contributions. This is different from state programs and previous iterations of the bill, which instead cap taxable earnings, making the current FAMILY Act more progressive than state plans that cap taxable earnings.¹⁶

TABLE 1

Family and Medical Insurance Leave (FAMILY) Act

H.R. 3481 and S.B. 1714

Program element	Summarized policy
Inception	Identical bills were introduced in the Senate (Sen. Kirsten Gillibrand of New York) and House of Representatives (Rep. Rosa DeLauro of Connecticut) on May 18, 2023
Lead agency	Social Security Administration – Office of Paid Family and Medical Leave
Funding	0.4 percent payroll tax split evenly between employers and employees ^{a,b}

¹² FAMILY Act, S. 1714, Section 4(h)(1)(E).

FAMILY Act, S. 1714, Section 4(h)(1)(A)(iii).

¹³ FAMILY Act, S. 1714, Section 4(h)(1)(A)(ii).

¹⁴ FAMILY Act, S. 1714, Section 7(a)(1).

FAMILY Act, S. 1714, Section 7(a)(2).

¹⁵ FAMILY Act, S. 1714, Section 7(a)(3).

¹⁶ FAMILY Act, S. 1714, Section 7.

Program element	Summarized policy
Implementation timing	18 months after enactment
Duration (weeks of leave)	12 weeks
Purposes	Own serious health condition; birth or adoption of a child; care for a family member with a serious health condition; deployment-related and military family caregiving needs; safe leave for needs related to sexual or domestic violence
Wage replacement	85 percent of the individual's average monthly earnings below \$1,257, plus 69 percent for earnings between \$1,257 and \$3,500, plus 50 percent of earnings between \$3,500 and \$6,200 ^c
Maximum benefits	\$4,000/month ^c
Job protection	Yes ^d
Waiting period	No
Eligibility	Earned at least the specified amount of wages and self-employment income during the most recent 8-calendar quarter period that ends at least 4 months prior to the beginning of the individual's benefit period ^e
Coverage	All workers who meet eligibility requirements, including self-employed workers and those employed by a federal, state, or local government
Family definition	"Family" includes a spouse (including a domestic partner in a civil union or other registered domestic partnership); child or a child's spouse; parent or a parent's spouse; sibling or a sibling's spouse; grandparent or a grandparent's spouse; grandchild or a grandchild's spouse; and any other individual who is related by blood or affinity and whose association with the employee is equivalent of a family relationship

Source: FAMILY Act H.R. 3481 and S.B. 1714.

^a The 0.4 percent payroll tax is to be split between employees and employers. Employees are taxed at a rate of 0.2 percent of earnings received in any calendar year. Employers are taxed at a rate of 0.2 percent of earnings paid in any calendar year. If an individual is self-employed, they are expected to contribute 0.4 percent (the combination of the employee and employer contribution).

^b The FAMILY Act uses the Medicare taxable wage base, where all wages are subject to contributions including tax deferred pension contributions.

^c These figures apply to individuals whose benefit period begins in calendar year 2024. Individuals with benefit periods beginning after this date will use indexed values. The minimum monthly benefit amount, if benefits are paid in 2024, is \$580.

^d Employers are required to restore leave takers to the position of employment held by the individual when the leave commenced or restore the individual to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

^e The specified amount of wages and self-employment income is equal to \$2,000 if the benefit period begins in calendar year 2024 or the greater of A. the specified amount applicable for the preceding calendar year; or B. an amount equal to the product of \$2,000 multiplied by an amount equal to the quotient of the national average wage index for the second calendar year preceding such calendar year divided by the national average wage index for 2022.

Research Questions and Approach

In this section, we provide a description of the general focus for this paper, the questions that we address, and an overview of our approach, including a description of the two microsimulation models used for our estimates. The section includes a brief description of issues to be aware of in reading our findings. More details on our technical approach can be found in the appendix.

Our Focus

This analysis focuses on the impact of establishing a national paid family and medical leave program under the FAMILY Act. Using microsimulation modeling, we examine the following questions:

- How would the FAMILY Act impact worker access to and usage of PFML if enacted in 2018? How much would workers receive in benefits and how would they be distributed by demographic group and benefit type?
- Would benefits provided under the FAMILY Act reduce poverty overall and for families who took benefits? How would taxes and participation in other safety net programs be affected? After accounting for interactions with other tax and income security programs, how much would families' incomes change?

We conclude with a discussion of the implications for a national paid leave program as policymakers seek to expand access to paid family and medical leave and improve the equitable design of existing policies to support workers and families as they address their caregiving and own health needs.

The Worker PLUS and ATTIS Models

To examine the hypothetical policy, we used two linked microsimulation models: Department of labor's (DOL) Worker PLUS model and Urban Institute's ATTIS microsimulation models.

- The DOL Worker PLUS model is an open-source microsimulation model that can be used by researchers and policy makers to estimate the effects of various worker leave scenarios and policy options on leave-taking behavior, and to estimate the benefits paid as well as costs of administering PFML programs. The model uses public microdata from the DOL Family and

Medical Leave Act (FMLA) Employee Survey to train models for individual-level leave needs and behaviors. Users of the model may specify various program parameters and use the model to project specific leave-taking behavior and outcomes using demographic data from the American Community Survey (ACS) Public Use Microdata Sample (PUMS). See appendix A for more information about the Worker PLUS model.

- Urban Institute’s Analysis of Transfers, Taxes, and Income Security (ATTIS) microsimulation model was developed by the Urban Institute. Like the Worker PLUS model, it relies on data from the ACS. ATTIS estimates eligibility, enrollment, and benefits for Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), childcare subsidies through the Child Care and Development Fund, public and subsidized housing, Low-income Home Energy Assistance Program (LIHEAP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Supplemental Security Income (SSI), and unemployment compensation. It also calculates payroll taxes and federal and state income taxes including earned income tax credits, child tax credits, and child and dependent care tax credits. See appendix B for more information on the ATTIS model.

The linked model adds simulated paid family and medical leave benefits to the suite of benefits available to people. It estimates the distributional impact of paid family leave on safety net program eligibility and enrollment, and on the SPM. These estimates account for each safety net programs’ rules for treating paid family leave benefits and the shifts in employment and earnings as workers change work behaviors in response to newly available paid leave benefits. Both ATTIS and Worker PLUS use 2018 ACS data and the simulations use 2018 program rules.

This analysis is intended to help policymakers understand the potential impact of enacting a comprehensive paid family and medical leave program. As with any estimate based on a hypothetical scenario, it is necessary to make many assumptions; different assumptions would have produced different estimates. We describe some of our key assumptions in box 1 and provide a more detailed discussion of our methodology in the appendix.

BOX 1

Key Assumptions

This analysis requires several assumptions about the likely impact of the policy scenario. Key assumptions include the following:

- We estimate paid leave for own illness, maternity and bonding, ill child, ill spouse, and ill parent needs. We do not estimate leave related to military deployment or safe leave since they comprise a very small share of total leaves (for example, less than 1 percent in Washington).
 - Take up of benefits is based on experience in the four longest running PFML programs: California, New Jersey, New York and Rhode Island. Our estimates do not account for potentially higher take-up that may occur in the presence of a nationally available program and therefore may be conservative in its estimate of total benefits.
 - Estimates reflect the impact of establishing the FAMILY Act in 2018. All FAMILY Act program parameters are therefore indexed to 2018. In addition, the 2018 baseline for this analysis accounts for benefits provided in four states that had paid family and medical leave programs in place that year—California, New York, New Jersey and Rhode Island—and reflects 2018 program rules for those states.
 - » We assume that these states would continue their programs and increase their benefits to make them at least as generous as the FAMILY Act. States would be reimbursed by the federal government for the cost of providing a FAMILY Act-only level benefit, effectively serving as “first payer.” If the total cost of the enhanced state program is less than the combined state payroll tax and the FAMILY Act payroll tax, we assume states would reduce the state payroll tax rate to match total program costs.
 - Benefits are generally treated as countable income in means-tested benefit programs, but details and rules vary by state and along several dimensions. In addition, we assume the portion of benefits funded by employer contributions are subject to federal taxation, or approximately 32 percent of benefits. We assume states that did not have state PFML benefits in 2018 would tax FAMILY Act benefits the same way they tax unemployment compensation. For more detail on the treatment of PFML benefits in means-tested programs and the taxation of benefits, including assumptions used in this report, see Boyens, Hueston, and colleagues (2024).
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Findings

In this section we present the findings from our analysis of the impact of establishing a national paid family and medical leave program based on the FAMILY Act, as described earlier. Specifically, we compare data from 2018, the most recent available year for use in both the Worker PLUS and ATTIS models, with projections of what would have happened in 2018 if the FAMILY Act were enacted.

We present our findings in two sections, each addressing one of the questions laid out previously:

- How would the FAMILY Act impact worker access to and usage of PFML if it had been implemented in 2018? How much would workers receive in benefits and how would they be distributed by demographic group and benefit type?
- Would PFML benefits provided under the FAMILY Act reduce poverty overall and for families who took benefits? How would taxes and participation in other safety net programs be affected? After accounting for interactions with other tax and income security programs, how much would families' incomes change?

FAMILY Act Impact on Worker Access to PFML

How Would the FAMILY Act Impact Worker Access to and Usage of PFML If Enacted in 2018? How Much Would Workers Receive in Benefits and How Would They Be Distributed by Demographic Group and Benefit Type?

Table 2 shows the coverage and usage of PFML benefits under the FAMILY Act. The FAMILY Act column represents PFML coverage provided by the FAMILY Act if implemented in 2018. We project that 164 million people would be eligible for PFML if the FAMILY Act were enacted in 2018. The FAMILY Act would expand access to workers in all states, including states with existing PFML programs in 2018, which were California, New Jersey, New York, and Rhode Island. Self-employed and government workers who were largely excluded from the four state plans would also be covered in all states. We estimate that under the FAMILY Act, over 8.4 million people would take a covered paid leave during the year, representing 4.9 percent of all workers and 5.1 percent of those eligible for benefits. Over 9.2 million leaves would be taken in total, with over half, 56 percent, being taken for a worker's own serious medical condition, 36 percent for maternity or bonding, and 8 percent are for family caregiving. About 9 percent of beneficiaries would receive more than one type of benefit during the

calendar year. Covered paid leaves would average about 9.3 weeks, with the longest leaves being taken for own medical reasons.

TABLE 2

Projected Worker Coverage and Usage of Leave under the FAMILY Act Scenario

Number of workers by eligibility status and paid leave usage rates	Number
Number of workers (thousands)	169,494
Number of workers paying PFML payroll tax (thousands)	169,388
Number of people eligible for paid leave (thousands)	163,928
Number of people receiving a benefit (thousands)	8,384
Percent of all workers receiving compensation for leave (%)	4.9
Percent of eligible workers receiving compensation for leave (%)	5.1
Number of medical leaves taken (thousands)	5,124
Number of maternity and bonding leaves taken (thousands)	3,340
Number of family care leaves taken (thousands)	758
Number of total leaves taken (thousands)	9,222
Distribution of medical leaves taken (%)	56
Distribution of maternity and bonding leaves taken (%)	36
Distribution of family care leaves taken (%)	8
Medical leave usage rate (%)	3.1
Maternity and bonding leave usage rate (%)	2.0
Family care leave usage rate (%)	0.5

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits and usage if the FAMILY Act was implemented in 2018. Number of workers and claims are for 2018. Family care includes ill child, ill spouse, and ill parent leaves. Usage rate is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year.

Table 3 shows that estimated paid family and medical leave benefits payments under the FAMILY Act would total nearly \$43 billion. Among beneficiaries, the estimated average annual FAMILY Act benefit is projected to be \$4,629 in 2018. Average annual medical leave benefits are highest in large part because they have a longer average duration (9.7 weeks), followed by maternity and bonding leave (9.4 weeks), with family care leaves being the shortest (6.5 weeks). Overall, average FAMILY Act weekly benefits are \$486 per week. Differences in weekly benefits largely reflect underlying differences in wages earned by workers who take leave.

TABLE 3

Total Benefit Costs, Average Benefits and Total Earnings under the FAMILY Act

Type of benefits paid	Number
Medical (millions of dollars)	\$25,192
Maternity and bonding (millions of dollars)	\$15,244
Family care (millions of dollars)	\$2,252
Total (millions of dollars)	\$42,688
Average annual medical benefit (dollars)	\$4,917
Average annual maternity and bonding benefit (dollars)	\$4,564
Average annual family care benefit (dollars)	\$2,972
Average annual benefit for all reasons (dollars)	\$4,629
Average weekly medical benefit (dollars)	\$480
Average weekly maternity and bonding benefit (dollars)	\$499
Average weekly family care benefit (dollars)	\$465
Average weekly benefit for all reasons (dollars)	\$486
Average duration of medical leave (weeks)	9.7
Average duration of maternity and bonding leave (weeks)	9.4
Average duration of family care leave (weeks)	6.5
Average duration of all leave (weeks)	9.3
Benefit cost as percentage of taxable earnings (%)	0.46

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The FAMILY act column shows benefits and usage if the FAMILY Act was implemented in 2018. Amounts are for 2018 and in 2018 dollars. Family care includes ill child, ill spouse, and ill parent leaves. Eligible workers are limited to workers in eligible employment sectors with earnings above the minimum qualifying earnings limits who work in qualifying states. Average annual and weekly benefits are averages among beneficiaries. The FAMILY Act taxes all earnings of people working in the United States. Untaxed FAMILY Act earnings are limited to earnings from foreign employers.

Table 3 also shows that the total estimated cost of benefits under the FAMILY Act is approximately 0.46 percent of total taxable earnings. The FAMILY Act assesses a 0.40 percent payroll tax split evenly between employees and employers on uncapped earnings. Any costs that exceed revenue from the FAMILY Act payroll tax are financed by general revenue. Under the FAMILY Act, approximately 97 percent of workers would be eligible for PFML, as shown in tables 4 through 10. FAMILY Act eligibility is lower among people earning under \$25,000 per year, those who work less than 20 hours per week, and those with less than a high school education because they do not meet the minimum earnings requirement. The FAMILY Act requires workers to earn \$1,596 in the eight quarters preceding benefit claiming.¹⁷ We model this restriction based on reported annual earnings. Approximately 4.9 percent of all workers would take a leave and receive benefits under the FAMILY Act.

¹⁷ The earnings threshold is based on \$2,000 earned in the prior eight calendar quarters in 2024 converted to 2018 dollars for our simulation.

TABLE 4

Access to and Usage of Paid Leave by Annualized Earnings and Family Poverty Level*Under the FAMILY Act*

Annualized earnings and family poverty level	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
< \$25,000	52,325	91	8.8
\$25,000–\$40,000	31,223	100	4.5
\$40,000–\$60,000	30,339	100	3.5
\$60,000–\$80,000	18,464	100	2.8
\$80,000–\$100,000	10,446	100	2.4
\$100,000 or more	21,132	100	2.5
Income < 200% poverty level	32,261	93	8.6
Income 200–400% poverty level	49,933	97	5.1
Income > 400% poverty level	81,735	98	3.8

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year. Annualized weekly earnings is covered weekly earnings times 52.

TABLE 5

Access to and Usage of Paid Leave by Race and Ethnicity*Under the FAMILY Act*

Race and ethnicity	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
Asian, non-Hispanic	9,804	97	5.1
Black, non-Hispanic	18,831	96	5.6
Hispanic	28,448	97	5.6
Native American, Pacific Islander, non-Hispanic	1,162	96	7.2
Other, non-Hispanic	3,554	95	5.0
White, non-Hispanic	102,130	97	4.9

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year. All Hispanic people are classified as Hispanic regardless of race.

TABLE 6

Access to and Usage of Paid Leave by Sex*Under the FAMILY Act*

Sex	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
Men	86,263	97	4.4
Women	77,666	96	5.9

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year.

TABLE 7

Access to and Usage of Paid Leave by Age Group*Under the FAMILY Act*

Age group	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
16-25	24,134	89	8.2
26-35	37,227	98	7.7
36-45	33,780	99	4.7
46-55	33,471	99	2.7
56-65	26,400	98	2.8
66 and older	8,917	95	3.5

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year.

TABLE 8

Access to and Usage of Paid Leave by Usual Hours Worked per Week*Under the FAMILY Act*

Usual hours worked per week	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
1-19	9,206	74	5.8
20-34	25,052	94	6.2
35-44	89,310	99	5.3
45 or more	40,361	100	3.9

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year.

TABLE 9

Access to and Usage of Paid Leave by Education Level*Under the FAMILY Act*

Education level	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
Less than high school	14,601	89	5.1
High school or equivalent	40,264	97	5.9
Some college	51,192	97	5.3
Bachelor's or higher degree	57,871	98	4.4

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year.

TABLE 10

Access to and Usage of Paid Leave by Household Composition*Under the FAMILY Act*

Household composition	Number of eligible workers (thousands)	Share of workers eligible for covered leaves (%)	Share of eligible workers receiving compensation for leaves (%)
Overall	163,928	97	5.1
Married two-earner	67,823	97	5.4
Married one-earner	27,420	95	7.0
Single one-earner	68,686	97	4.1

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows the number of eligible workers and coverage and usage rates if the FAMILY Act was implemented in 2018. The projections include all people ages 16 and older with positive wage and salary plus self-employment income. The share of eligible workers receiving compensation for leaves is the share of workers that receive benefits as a percent of the number of workers eligible for benefits in the calendar year.

Even though workers in the lowest earnings group are less likely to be eligible for FAMILY Act benefits, we project a higher share of these lowest earners would receive paid leave benefits (8.8 percent) than the highest earnings group (2.5 percent). Lower wage workers are less likely to have employer-provided paid leave benefits than higher wage workers. The value of the capped benefit relative to total earnings (benefit replacement rate) declines for workers with higher wages. Lower benefit replacement rates for higher earners often make the paid leave benefit less generous than employer provided paid leave benefits (if available). In addition, we project a higher share of younger and female workers receive PFML benefits, reflecting in large part women's need for maternity and bonding leave at young ages, as well as their larger role in providing family caregiving, and greater likelihood of working in jobs that do not provide employer-paid leave.

As shown below in table 11 through 18, average annual and weekly benefits and their duration also vary by demographic and employment characteristics. These differences primarily reflect underlying differences in the labor market, including wages and hours worked, as well as difference in the type of leave taken. Although the FAMILY Act has a progressive wage replacement formula, weekly benefits are still higher for higher earning beneficiaries and lower for lower earning beneficiaries. Men get higher projected weekly benefits than women, reflecting the men's higher earnings and hours worked, but the average weekly duration of leave is longer for women. Average weekly benefits also generally increase with age, reflecting rising average earnings with age. People who work fewer hours per week are projected to have longer leave durations than people working more hours. Leave durations also increase slightly with age reflecting declining health with age.

TABLE 11

Paid Leave Benefit Amounts and Weekly Benefit Duration by Annualized Earnings and Family Poverty Level

Under the FAMILY Act

Annualized earnings and family poverty level	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
< \$25,000	233	2,219	9.5
\$25,000–\$40,000	452	4,054	9.0
\$40,000–\$60,000	628	5,409	8.6
\$60,000–\$80,000	746	6,587	8.8
\$80,000–\$100,000	783	7,059	8.8
\$100,000 or more	830	9,843	10.9
Income < 200% poverty level	361	3,791	9.8
Income 200–400% poverty level	475	4,319	9.0
Income > 400% poverty level	611	5,676	9.1

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells. Annualized weekly earnings is covered weekly earnings times 52.

TABLE 12

Paid Leave Benefit Amounts and Weekly Benefit Duration by Race and Ethnicity

Under the FAMILY Act

Race and ethnicity	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
Asian, non-Hispanic	598	6,460	10.4
Black, non-Hispanic	414	3,787	9.0
Hispanic	446	4,794	10.3
Native American, Pacific Islander, non-Hispanic	426	3,654	8.8
Other, non-Hispanic	449	4,189	9.1
White, non-Hispanic	505	4,602	9.0

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells. All Hispanic people are classified as Hispanic regardless of race.

TABLE 13

Paid Leave Benefit Amounts and Weekly Benefit Duration by Sex*Under the FAMILY Act*

Sex	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
Men	535	4,632	8.6
Women	447	4,627	9.9

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells.

TABLE 14

Paid Leave Benefit Amounts and Weekly Benefit Duration by Age Group*Under the FAMILY Act*

Age group	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
16-25	343	3,681	10.0
26-35	501	4,598	9.2
36-45	559	4,976	8.8
46-55	546	4,950	8.8
56-65	562	5,564	9.3
66 and older	531	6,302	10.3

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY Act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells.

TABLE 15

Paid Leave Benefit Amounts and Weekly Benefit Duration by Usual Hours Worked per Week*Under the FAMILY Act*

Usual hours worked per week	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
1-19	310	4,861	11.7
20-34	341	3,780	10.2
35-44	510	4,664	9.0
45 or more	619	5,308	8.5

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells.

TABLE 16

Paid Leave Benefit Amounts and Weekly Benefit Duration by Education Level*Under the FAMILY Act*

Education level	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
Less than high school	391	4,109	9.8
High school or equivalent	421	3,991	9.2
Some college	445	4,312	9.4
Bachelor's or higher degree	617	5,707	9.1

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells.

TABLE 17

Paid Leave Benefit Amounts and Weekly Benefit Duration by Household Composition*Under the FAMILY Act*

Household Composition	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
Married two-earner	519	4,668	8.9
Married one-earner	507	5,077	9.7
Single one-earner	427	4,271	9.6

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells.

TABLE 18

Paid Leave Benefit Amounts and Weekly Benefit Duration by Class of Worker*Under the FAMILY Act*

Class of worker	Average weekly benefit (\$)	Average annual benefit (\$)	Average weekly duration (weeks)
Overall	486	4,629	9.3
Private sector	466	4,417	9.3
State and local government	551	5,029	8.9
Federal government	601	5,080	8.4
Self-employed	585	6,264	9.8

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The table shows benefits paid under the FAMILY act if it was implemented in 2018. The projections are for 2018 and include all people ages 16 and older with a covered paid leave benefit. Amounts are in 2018 dollars. The unit of analysis is covered spells.

Would Benefits Provided under the FAMILY Act Reduce Poverty Overall and for Families Who Receive Benefits? How Would Taxes and Participation in Other Safety Net Programs Be Affected? After Accounting for Interactions with Other Tax and Income Security Programs, How Much Would Families' Incomes Change?

Under the FAMILY Act, access to and usage of paid leave would increase substantially, as described above. As a result, families would experience several changes to their income, including changes in paid leave benefits, federal and states taxes, and income received from means-tested programs. We use the Worker PLUS and ATTIS models to estimate these changes and interactions and their impact on poverty. Consistent with the approach described above, we estimate the impact of enacting the

FAMILY Act in 2018 relative to a baseline that accounts for PFML benefits that were provided in the four states with existing programs in 2018.

We find that under the FAMILY Act, the poverty rate among families receiving PFML benefits would decrease by 1.8 percentage points from 11.4 percent to 9.5 percent, a 16.1 percent reduction in poverty (table 19). Among the total US population, the SPM poverty rate would fall slightly from 13.8 to 13.7 percent, a 0.1 percentage point reduction in the rate and a 0.9 percentage change in poverty for the total population (table 20). In addition, the FAMILY Act would enhance equity by modestly narrowing existing disparities in poverty rates by race and ethnicity. Under the FAMILY Act, the largest percentage point reductions in the SPM poverty rate would occur among Black, non-Hispanic and Hispanic families receiving benefits, the two groups with the highest baseline poverty rates. The SPM poverty rate would fall by 2.5 percentage points for Black, non-Hispanic beneficiaries and by 2.3 percentage points for Hispanic beneficiaries.

TABLE 19
Impact on Supplemental Poverty Measure Poverty Rate by Race and Ethnicity among People in Families Receiving PFML Benefits
Simulation results for the FAMILY Act compared with 2018 baseline

Race and ethnicity among people in families receiving PFML benefits under the FAMILY Act	Baseline ^a (%)	FAMILY Act (%)	Percentage point change (%)	Percentage change (%)
Total	11.4	9.5	-1.8	-16.1
Asian, non-Hispanic	13.1	11.1	-2.0	-15.0
Black, non-Hispanic	16.1	13.6	-2.5	-15.4
Hispanic	18.0	15.7	-2.3	-12.6
Other, non-Hispanic	11.3	9.9	-1.4	-12.0
White, non-Hispanic	6.8	5.3	-1.4	-21.1

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

^a The baseline column shows the Supplemental Poverty Rate in 2018 including PFML benefits available in the four states had PFML programs in 2018: California, New Jersey, New York, and Rhode Island. The FAMILY Act columns show Supplemental Poverty Rates if the FAMILY Act was implemented in 2018. The unit of analysis is people in 2018.

^b All Hispanic people are classified as Hispanic regardless of race.

TABLE 20

Impact on Supplemental Poverty Measure Poverty Rate by Race and Ethnicity for All People*Simulation results for the FAMILY Act compared with 2018 baseline*

Race and ethnicity among all people	Baseline^a (%)	FAMILY Act (%)	Percentage point change (%)	Percentage change (%)
Total	13.8	13.7	-0.1	-0.9
Asian, non-Hispanic	16.6	16.4	-0.2	-1.1
Black, non-Hispanic	19.2	19.0	-0.2	-0.9
Hispanic	22.1	21.9	-0.2	-0.9
Other, non-Hispanic	15.2	15.1	-0.1	-0.7
White, non-Hispanic	9.9	9.8	-0.1	-0.9

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

^a The baseline column shows the Supplemental Poverty Rate in 2018 including PFML benefits available in the four states had PFML programs in 2018: California, New Jersey, New York, and Rhode Island. The FAMILY Act columns show Supplemental Poverty Rates if the FAMILY Act was implemented in 2018. The unit of analysis is people in 2018.

^b All Hispanic people are classified as Hispanic regardless of race.

TABLE 21

Impact on Supplemental Poverty Measure Poverty Rate by Race and Ethnicity among People in Families Paying PFML Payroll Tax*Simulation results for the FAMILY Act compared with 2018 baseline*

Race and ethnicity among all people in families paying PFML payroll tax under the FAMILY Act	Baseline^a (%)	FAMILY Act (%)	Percentage point change (%)	Percentage change (%)
Total	10.3	10.2	-0.1	-1.4
Asian, non-Hispanic	13.0	12.8	-0.2	-1.5
Black, non-Hispanic	13.3	13.1	-0.2	-1.6
Hispanic	19.0	18.7	-0.2	-1.2
Other, non-Hispanic	10.9	10.8	-0.1	-1.2
White, non-Hispanic	6.5	6.4	-0.1	-1.6

Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

^a The baseline column shows the Supplemental Poverty Rate in 2018 including PFML benefits available in the four states had PFML programs in 2018: California, New Jersey, New York, and Rhode Island. The FAMILY Act columns show Supplemental Poverty Rates if the FAMILY Act was implemented in 2018. The unit of analysis is people in 2018.

^b All Hispanic people are classified as Hispanic regardless of race.

In addition to reducing the poverty rate, PFML provided under the FAMILY Act would reduce the poverty gap—the additional resources needed to lift all poor families up to the poverty threshold—by 1 percent across the total population, and by 23 percent among families who received benefits (table 22). The total poverty gap is projected to fall by \$1.6 billion and by \$1.7 billion among families receiving benefits. The substantial reduction in the poverty gap for families receiving benefits shows that PFML

reduces the depth of poverty experienced by workers and their families who receive benefits, including among people who remain below the poverty threshold, who would see an 18 percent reduction in their poverty gap. Families who fall below the poverty line under the FAMILY Act would have an average poverty gap of \$333. Families who fall below the poverty line include families that pay higher payroll tax used to finance benefits and workers who choose to replace workdays with paid leave days that only partly replace lost earnings.

TABLE 22
Impact on the Poverty Gap
Simulation results for the FAMILY Act

Poverty gap measure	Baseline	FAMILY Act	Percent change (%)
Total poverty gap (full population)	\$171.7 billion	\$170.1 billion	-1
Total poverty gap (families paying FAMILY Act payroll tax)	\$87.4 billion	\$85.8 billion	-2
Total poverty gap (families newly receiving benefit or increased benefit under FAMILY Act)	\$7.2 billion	\$5.6 billion	-23
Average poverty gap for families newly receiving benefit or increased benefit under FAMILY Act for families who were below the poverty line in the baseline and remain below the poverty line under the FAMILY Act	\$9,211	\$7,574	-18
Average poverty gap for families newly receiving benefit or increased benefit under FAMILY Act for families who were not below the poverty line in the baseline and but are below the poverty line under the FAMILY Act	N/A	\$333	N/A

Sources: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: The poverty gap is the additional resources needed to lift all poor families up to the poverty threshold. The baseline column shows the poverty gap when PFML benefits are limited to California, New Jersey, New York, and Rhode Island (four states with PFML plans in 2018). The FAMILY Act column shows the poverty gap if the FAMILY Act was implemented in 2018. Amounts are in 2018 dollars.

If the FAMILY Act had been adopted in 2018, we project that means-tested benefits would be approximately \$1.5 billion lower. The largest total dollar decline in benefits would occur in SNAP, which would see benefits fall by over \$1 billion. The largest declines as a share of total program benefits would occur in the Women, Infants and Children (WIC) and Temporary Assistance for Needy Families (TANF) programs, which would see declines of 2.7 and 2.6 percent, respectively. Program benefits would decline overall due to both reductions in eligibility and in the amount of benefits received as a result of increased income from PFML benefits. SNAP and WIC would see the largest reductions in people or household units receiving benefits, with 236,000 fewer units receiving SNAP during the year and 222,000 fewer people receiving WIC in 2018. In addition, the FAMILY Act would increase earned income tax credit (EITC) benefits by \$45 million (0.1 percent) and reduce the refundable share of the

child tax credit (CTC) by \$55 million (0.2 percent). The EITC increases incomes for low-wage workers and offsets the impact of payroll taxes, which is why on net, we project an increase in EITC credits. The CTC is intended to boost income for families with children. However, the rules of the credit, including the refundable portion, are complex (Maag, Airi, and Hunter 2023). The decline in CTC spending in our projections results from a combination of effects. CTC spending can fall when taxes for families before credits falls (if the reduction in earnings for some tax units is greater than the taxable PFML benefits). This means people have reduced positive tax liability (before credits) against which to claim the CTC. Though they continue to have some earnings, the refundable portion of the CTC is not as generous, and they get less total CTC. In addition, there could be people for whom the increase in taxable PFML exceeds their loss in earnings. These people could still wind up with less CTC because the amount of refundable credit they can receive depends on earnings. Finally, some people are likely getting an increase in CTC, but this effect does not dominate the results.

Note that we assume individuals take their Worker PLUS projected PFML benefit even if it reduces other means-tested benefits or tax credits. However, some individuals who would be eligible for program benefits in the absence of PFML benefits may account for the impact of receiving a temporary PFML benefit on their eligibility for other types of assistance. Our analysis is static and does include this type of behavior. As a result, these estimates may overstate the reduction in other means-tested benefits resulting from expanded access to PFML.

TABLE 23
Impact of Paid Leave Participation on Other Means-Tested Benefits (Change in Average Monthly Participating People or Units)
Simulation results for the FAMILY Act

Government assistance program	People or units (thousands)	Percent change (%)
SNAP	-127	-0.6
CCDF	-23	-1.2
TANF ^a	-24	-2.3
WIC	-128	-2.2
SSI	-5	-0.1
LIHEAP ^b	N/A	N/A
Public/subsidized housing	-2	0.0

Sources: Authors' calculations from Worker PLUS linked to ATTIS.

Notes: The change reports differences for the FAMILY Act that expands access to PFML to all states relative to our baseline simulation that limits PFML to four states (California, New Jersey, New York, and Rhode Island) in 2018. For SSI, TANF, public/subsidized housing, SNAP, and LIHEAP, the changes in caseload count numbers of assistance units, which may consist of one person, multiple people in a household, or an entire household; for child care subsidies, the changes count numbers of children with subsidies; for WIC, the changes count individual women, infants, and children receiving benefits; for tax credits, the numbers reflect changes in numbers of tax units.

^a TANF results include federally funded benefits, separate-state-program (SSP) benefits funded with state maintenance-of-effort monies, and solely-state-funded (SSF) benefits.

^b LIHEAP benefits are generally provided once per heating or cooling season, not as a monthly benefit.

TABLE 24

Impact of Paid Leave Participation on Other Means-Tested Benefits (Change in Annual Ever-On Participating People or Units)

Simulation results for the FAMILY Act

Means-tested program	People or units (thousands)	Percent change (%)
SNAP	-236	-0.9
CCDF	-21	-0.9
TANF ^a	N/A ^c	N/A ^c
WIC	-222	-3.4
SSI	-4	-0.1
LIHEAP ^b	-28	-0.5
Public/subsidized housing	2	0.0
Federal EITC	6	0.0
Federal Refundable CTC	33	0.2

Sources: Authors' calculations from Worker PLUS linked to ATTIS.

Notes: The change reports differences for the FAMILY Act that expands access to PFML to all states relative to our baseline simulation that limits PFML to four states (California, New Jersey, New York, and Rhode Island) in 2018. For SSI, TANF, public/subsidized housing, SNAP, and LIHEAP, the changes in caseload count numbers of assistance units, which may consist of one person, multiple people in a household, or an entire household; for child care subsidies, the changes count numbers of children with subsidies; for WIC, the changes count individual women, infants, and children receiving benefits; for tax credits, the numbers reflect changes in numbers of tax units.

^a TANF results include federally funded benefits, separate-state-program (SSP) benefits funded with state maintenance-of-effort monies, and solely-state-funded (SSF) benefits.

^b LIHEAP benefits are generally provided once per heating or cooling season, not as a monthly benefit.

^c TANF ever-on results could be tabulated with additional effort.

TABLE 25

Impact of Paid Leave Participation on Other Means-Tested Benefits (Change in Benefits)*Simulation results for the FAMILY Act*

Means-tested program	Dollars (millions)	Percent change (%)
SNAP	-1,024	-2.0
CCDF	-145	-1.6
TANF ^a	-138	-2.6
WIC	-117	-2.7
SSI	-47	-0.1
LIHEAP ^b	-15	-0.5
Public/subsidized housing	-48	-0.1
Federal EITC	45	0.1
Federal Refundable CTC	-55	-0.2
Total	-1,543	N/A

Sources: Authors' calculations from Worker PLUS linked to ATTIS.

Notes: The change reports differences for the FAMILY Act that expands access to PFML to all states relative to our baseline simulation that limits PFML to four states (California, New Jersey, New York, and Rhode Island) in 2018. For SSI, TANF, public/subsidized housing, SNAP, and LIHEAP, the changes in caseload count numbers of assistance units, which may consist of one person, multiple people in a household, or an entire household; for child care subsidies, the changes count numbers of children with subsidies; for WIC, the changes count individual women, infants, and children receiving benefits; for tax credits, the numbers reflect changes in numbers of tax units.

^a TANF results include federally funded benefits, separate-state-program (SSP) benefits funded with state maintenance-of-effort monies, and solely-state-funded (SSF) benefits.

^b LIHEAP benefits are generally provided once per heating or cooling season, not as a monthly benefit.

A large majority of families receiving a benefit under the FAMILY Act, 88 percent, would see total family resources increase, as shown in table 8. Among families who would see an increase in total resources, most would see an increase in total resources of 10 percent or less, but 21 percent of all families would see an increase of 10 percent or more in resources. Among families in poverty prior to the FAMILY Act, 89 percent would see their resources increase, with over half seeing total resources increase by over 10 percent. Twelve percent of families would see resources fall, including 11 percent of families with resources below the poverty threshold in the baseline. The majority of families who saw resources decline were those whose total incomes decreased due to higher payroll taxes and as a result of taking paid leave that they otherwise would have not taken, or a longer duration of leave than they would in the absence of a PFML program, both of which result in lower income since PFML benefits replace less than 100 percent of wages.

We estimate that annual payroll taxes would increase by an average of \$150 per covered worker under the FAMILY ACT (not shown). Families receiving a PFML benefit would pay an average of \$250 per year in increased payroll taxes (not shown). At the same time, total federal and state income taxes would decline under the FAMILY Act. In total, families would pay \$1 billion less in federal and state

incomes taxes, with the federal portion falling by \$802 million and the state portion falling by \$206 million in 2018 (not shown). This reflects more workers taking leave and receiving lower PFML benefits in place of wage income and paying taxes on the portion of PFML benefits financed by employer contributions, which we assume for modeling purposes is 32 percent.

TABLE 26

Percentage Change in Family Resources

Simulation results for the FAMILY Act compared with our 2018 baseline

Resource measure	All families (%)	Families below poverty prior to FAMILY Act (%)
Resources increase	88	89
Resources fall	12	11
Resources increase by 0 - < 2%	24	11
Resources increase by 2 - < 4%	16	9
Resources increase by 4 - < 6%	12	7
Resources increase by 6 - < 8%	9	5
Resources increase by 8 - < 10%	6	6
Resources increase by 10%+	21	52

Sources: Authors' calculations from the Worker PLUS model linked to ATTIS.

Notes: For families newly receiving a PFML benefit or receiving an increased PFML benefit through the FAMILY Act. The change reports differences for the FAMILY Act that expands access to PFML to all states relative to our baseline simulation that limits PFML to four states (California, New Jersey, New York, and Rhode Island) in 2018.

Conclusion and Policy Implications

Working individuals and their families have significant unmet need for leave (Brown et al. 2020b). At the same time, access to paid family and medical leave benefits is low and remains concentrated among higher-income and full-time workers (Boyens, Karpman, and Smalligan 2022). Past analysis of the FAMILY Act showed that establishing a national PFML program would allow more workers to take leave when they need it, providing significant benefits to working families when they experience serious health conditions and caregiving needs (Hartmann and Hayes 2019).

Our study expands on this research to show that PFML benefits can also have a strong antipoverty effect for workers receiving benefits. Benefits provided under the FAMILY Act are estimated to reduce the poverty rate among families who take leave by 16 percent and reduce the poverty gap by 23 percent. By boosting incomes for the lowest wage workers and their families, PFML also improves equity by reducing the absolute poverty rates most for groups with the highest rates of poverty. This effect is driven by a combination of factors. The FAMILY Act has a low earnings threshold for eligibility and covers nearly all workers, approximately 97 percent. However, 3 percent of workers are ineligible because they have insufficient earnings and work history to qualify for benefits. The FAMILY Act covers both serious health conditions and family caregiving needs, allowing benefits to reach more workers than a narrower paid leave program. In addition, the PFML benefits provide a substantial increase in total resources of beneficiaries, both because it allows leave up to 12 weeks of paid leave and because it provides higher wage replacement for the lowest earners, similar to Social Security. Last, because the cost of the program is spread across more workers, the payroll tax required to finance the program is low and is split between employees and employers, limiting its impact on low earners in traditional employment.

National PFML benefits would affect benefits in means-tested programs for some families. Our analysis shows that PFML is projected to reduce benefits from some means-tested programs by replacing lost earnings with meaningful wage replacement when workers take time off work due to a serious medical condition or family care needs. This reduction in benefits could partially offset the federal cost of providing PFML. PFML benefits thus shift some of the funding of income supports for the working population from general revenues to employers and workers. Policymakers could adjust the EITC and CTC to offset regressive impact of the payroll tax relative to the income tax.

For individuals taking leave, PFML benefits may be preferred over means-tested benefits to the extent that they are often higher and easier to access and contain fewer restrictions. However, PFML

benefits are temporary and could increase administrative burdens for agencies and low-income families who may be required to report the change in their income and reapply for means-tested benefits after a temporary loss in eligibility. The limited duration of FAMILY Act benefits leaves workers with longer care needs economically insecure when benefits run out so some may decide that the income from FAMILY Act benefits is not worth the potential disruption in other longer-term benefits, such as SSI benefits for a child that are affected by the parent's income. In addition, families may be reluctant to take up FAMILY Act benefits if they think it will disrupt their access to programs that have waitlists or are difficult to access, such as housing assistance, child care, and SSI. A limitation of our analysis is that it does not take these types of behavioral choices into account and therefore may overestimate reductions in benefits from other programs resulting from PFML.

Resource and poverty estimates are only part of the story, however. The Worker PLUS model captures choices, including workers choosing to receive benefits that are less than their earnings, because this enables them to better meet their needs. As a result, families may have a negligible increase in resources, or even a reduction in overall resources, and still be “better off” if the FAMILY Act benefit enables them to meet health and caregiving needs that would otherwise be unmet and if the leave is valued more highly than the foregone income. And this assumes a scenario where not taking leave is a viable option; the majority of leaves taken are for a worker's own medical needs and in many of those cases the alternative to partial wage replacement through a PFML program would be unpaid leave or total loss of employment. In addition, this study focuses on the short-term, static effects of providing PFML and does not account for potential long-term effects on employment, earnings, health and well-being of individual workers or their families receiving care or the potential ways longer-term effects may impact other forms of government spending. Last, these estimates are conservative and reflect the impact of a national PFML program with modest take-up, financed by employees and employers. A national program may increase take-up of benefits, potentially through greater knowledge of benefits and rights among both workers and employers, as well as changes in behavior as leave-taking norms change.

Future Research

Access to more detailed administrative data on state programs is needed to better understand participation rates, especially how they vary by duration, which drives the estimates. Data needed includes number of beneficiaries, benefits paid, average weekly benefits, and average duration by type of benefit, age, gender, race and ethnicity, and earnings level. We need similar data about program

eligibility to better understand the number and characteristics of workers who do not qualify for benefits. More data would also enable a better understanding of the impact of job protection on leave-taking behavior and participation. To study the causal effects of paid leave and facilitate more research generally on the impact of paid leave, a longitudinal database of state PFML program rules and policies by year would be helpful. Paid leave programs are complex and varied and change often, making it difficult for individual researchers to conduct research.

Additional research on the interaction between PFML and government assistance and tax programs is also needed. Our review of how income from PFML is treated for government assistance programs shows that many states with PFML programs do not address these benefits in program manuals. More quantitative research on how program benefits are affected by PFML, as well as qualitative research on the experience of workers and families eligible for multiple benefits, could shed light on opportunities to improve supports, prevent programmatic churn and reduce administrative burden. Low-income families who experience a new birth or adoption, develop their own serious health condition, or have a family member with a serious health condition may need to navigate multiple support systems and government benefits, each with unique rules and conditions. Research on these interactions may shed light on policy options to improve the coordination of benefits to better achieve positive health and employment outcomes for working families with care needs.

Appendix A. Worker PLUS

The Department of Labor's (DOL) Worker PLUS model is a microsimulation model designed to estimate the cost and revenue of selected paid family and medical leave benefit provisions. The model allows users to specify paid leave benefit eligibility and financing rules. The model then estimates the number and durations of paid leave claims and the cost and revenue of the selected paid leave plan.

The microsimulation model is based on one initially developed by Albelda and Clayton-Matthews (2017) under contract with the Institute for Women's Policy Research. The model was revised and enhanced over the years including a major update by IMPAQ International, LLC (2021a, 2021b) in 2021 and by Summit Consulting, LLC (2023) in 2023. Each revision enhanced the prior version by updating the input and estimation data, improving the prediction of leave duration by leave type, reducing runtime, and adding multiple simulation methods. The 2023 version derives parameter estimates from the 2018 FMLA Employee Survey public microdata and simulates paid leave benefits for the 2016-2020 five-year American Community Survey (ACS) Public Use Microdata Sample (PUMS).

The 2023 Worker PLUS model and associated data are available from the DOL website: [2023 Worker PLUS Microsimulator | U.S. Department of Labor \(dol.gov\)](#). Published reports based on the Worker PLUS model are available on the DOL website: [Worker Leave | U.S. Department of Labor \(dol.gov\)](#). The DOL website provides freely available opensource code written in both Python and R. We started with the 2023 Python version and made code changes as needed to allow linkage to the ATTIS model.

Our task for this project was to link the Worker PLUS model with the Urban Institute's ATTIS model. This linkage would allow the ATTIS model to estimate the impact of paid family leave benefits on employment and incomes as well as how the policy would interact with other income support programs such as WIC, TANF, EITC, and SNAP.

While we were largely able to use the published version of the 2023 Worker PLUS model, we made the following changes to facilitate the Worker PLUS to ATTIS linkage:

- We restricted the Worker PLUS data to use only the 2018 ACS data to be consistent with 2018 based ATTIS estimates (the most recent available at the time of the analysis).
- We imputed place of work state (POWSP) for all workers with missing place of work state. People with earnings who are not currently at work all have missing POWSP. PUMA is the public-use microdata area code for the household residence. We used the distribution of place

of work PUMA (POWPUMA) by PUMA of the household residence among workers with non-missing POWPUMA to assign missing values. We removed the Worker PLUS weight adjustment for missing POWSP that is no longer needed.

- We made several adjustments to the input data to account for how the ACS reports family values to people in subfamilies and people living in non-family households. These adjustments include the following:
 - » For single person households, we assign person income (PINCP) to family income (FINCP). We assign the family income to poverty ratio (POVPIP) using the updated family income and the 2018 poverty threshold for a single person family, and we set the number of people in the family (NPF) to one.
 - » We assign “new baby” to all mothers with a new baby (FER=1) and their married and unmarried partners. We make sure that all people with a new baby report at least one own child. Number of own children (NOC) on the ACS is determined relative to the household reference person. NOC does not reflect the number of children for subfamily members.
 - » We replaced the ACS reported wage income, hours worked, and weeks worked with ATTIS adjusted values. ATTIS imputes weeks of work from the ranges reported in the ACS. We use the ATTIS earnings variables to ensure consistency between the two models.
- The original Worker PLUS code limited the sample to workers reporting employment status recode (ESR) of 1 (civilian employed, at work) or 2 (civilian employed, with a job but not at work). We expanded the universe of workers to include all workers with positive annual earnings. This change allows unemployed, armed forces, and people no longer in the labor force but who had earnings in the calendar year to be eligible for benefits if they meet the earnings and hours worked requirement and work(ed) in a covered employment sector.
- The original Worker PLUS code limited the assessable earned income to wage and salary earnings. We expanded the assessable earned income to include self-employment income if the paid leave policy covers self-employed workers.
- We changed the code for determining benefit replacement rate to account for the benefit cap that was omitted in the original code.

The model uses user-supplied parameters to limit the sample based on employment sector. The above changes allow the model to calculate benefits for self-employed, military personnel, and people no longer working who were excluded in the original model.

Compared with the original 2023 Worker PLUS model, our changes have the following effects:

- They increase the number of workers eligible for maternity, bonding, and ill child benefits.
- They increase the number of workers eligible for benefits by expanding the universe of workers eligible for paid leave.
- They reduce projected covered leave durations for workers with capped benefits by correcting the benefit replacement rate calculation.

One limitation of using the ACS data for modeling PFML benefits is that most PFML programs determine eligibility based on earnings or hours worked over the prior four or more quarters preceding the leave. The ACS includes annual earnings and weeks worked based on the 12 months prior to the ACS interview. For workers beginning a leave spell before the end of the calendar year, we do not observe the full earnings and work history for the required time period. Instead, we assume that the current calendar year work pattern is similar to the work pattern before claiming a leave spell. This assumption likely understates benefit eligibility, especially when the look-back period is longer than one year. We assign take-up rates that replicates observed leave numbers and benefit costs compared with administrative data. While we may understate eligibility because of the annual data limitations, the user-supplied take-up rates can partly overcome this data limitation.

Statistical Match to ATTIS Input Data for FAMILY Act

As we reviewed the initial Worker PLUS projections, two significant limitations of the model that are important for linking the Worker PLUS simulation results to ATTIS became apparent:

- The FMLA survey, from which the Worker PLUS model derives its probability estimates, does not know if the FMLA survey respondent had a new baby during the calendar year. As such, the underlying maternity leave estimates are based on all women under age 50 with children, and the bonding estimates are based on men and women under age 50 with children. The unadjusted Worker PLUS projections do not limit maternity and bonding leave to parents with new babies.
- The FMLA survey does not know respondents' annual earnings or weeks worked. The underlying Worker PLUS projections do not assign benefit leave durations based on the ACS respondents' weeks worked. We know for example, that a worker who had 26 weeks of paid leave benefits cannot have worked 52 weeks in the calendar year, yet the assignment of leave duration is made without accounting for the number of weeks an ACS respondent worked.

While these limitations do not present problems for Worker PLUS’s population-based estimates, they present significant problems when the uncorrected projections are used for ATTIS. For ATTIS, we want the maternity and bonding leave to go to parents of new babies. We want paid leave spells to fit into days an ATTIS respondent is not working. Absent this correction, ATTIS would misstate the impact of PFML benefits that provide income replacement for unpaid leave, misstate the impact of PFML benefits on safety-net programs such as WIC, TANF, and SNAP, and misstate the impact of changes in leave behavior caused by gained access to PFML benefits.

To resolve these limitations, we use a statistical match to find an appropriate ATTIS record for each projected Worker PLUS paid leave beneficiary. Once we have assigned the paid leave spells to appropriate ATTIS records, we let ATTIS calculate own and family income, employment, income support eligibility and benefits, and poverty that include projected paid family leave benefits, changes in worker leave behavior, and changes in PMFL payroll tax.

Our statistical match uses a weighted distance function (Smith, Scheuren, and Berk 2002). For each Worker PLUS record with a paid leave benefit, the distance function finds the ATTIS record with the minimum distance based on the following formula:

$$D_d = \sum_{j=1}^n w_j * [(X_{dj} - X_{rj})/\sigma_j]^2$$

where w is the weight for variable j , X is the characteristic measure for j characteristics, d is the donor, r is the recipient, and σ is the standard deviation of the j th variable.

We pick the ATTIS record with the smallest distance D . We limit the ATTIS donor pool to workers eligible for benefits based on earnings, work weeks, and employment sector. Once an ATTIS record is selected, we remove it from the donor pool. We match men to men and women to women. ATTIS donors must work in the same state as the Worker PLUS beneficiary. Maternity leaves are limited to ATTIS mothers with a new baby. Bonding leaves are limited to ATTIS mothers and fathers with a new baby. Ill child leaves are limited to ATTIS mothers and fathers with children. Ill spouse leaves are limited to married and partnered ATTIS respondents.

We try to fit Worker PLUS’s projected number of unpaid days (days that they receive a PFML benefit from an existing state program and days they take in unpaid leave to meet family and medical needs) into the ATTIS donor records’ number of unpaid days (days in which they are not working or receiving unemployment compensation). However, Worker PLUS generates more unpaid days than ATTIS has unpaid days. This can happen due to imprecision in the weeks of work reported in the ACS—weeks of work are reported in ranges and workers who took a small amount of leave during the year

may consider themselves to be full-year workers and report working 50 to 52 weeks of the year (see ATTIS appendix for further discussion). In addition, some workers take unpaid leave in weeks they are also working. For example, a worker may take one day per week of unpaid leave to address a medical issue but continue to work the remaining days. We sort the Worker PLUS file by descending unpaid days duration. We do the statistical match in two passes. In the first pass, we find the best donor among ATTIS records where the Worker PLUS number of unpaid days is less than or equal to the ATTIS number of unpaid days. If no appropriate ATTIS record is selected in the first pass, we search again, allowing the match to select an ATTIS record where the Worker PLUS number of unpaid leave days exceeds the number of ATTIS unpaid days. Because we sort by descending unpaid days duration, the statistical match first exhausts the ATTIS records with positive unpaid days before it assigns unpaid days to ATTIS workers with insufficient unpaid days, though the second pass can select a remaining ATTIS observation with some, though insufficient, unpaid days based on the difference in unpaid days included in the distance function. Among leave takers, 66 percent of men and 74 percent of women find an ATTIS record with sufficient unpaid days to accommodate the unpaid leave. After completing the statistical match, we reduce the estimated number of working days in ATTIS for the remaining workers to accommodate the additional days of unpaid leave assigned by Worker PLUS (see ATTIS appendix for discussion).

The statistical match uses the weights and standard deviations shown in table A.1. The distance function largely uses variables included in Worker PLUS’s predictive models. We estimated stepwise logistic models to inform the distance function weights. These stepwise regressions did not find any clear predictors among the included variables. Instead of using partial R-squares to weight the distance function, we selected higher weights for family income, weekly earnings, age, and person weight and smaller weights for other variables. This weight selection attempts to match an ATTIS record that would generate comparable benefit amounts as the Worker PLUS selected leave-taker. We recalculate benefits for each matched ATTIS record based on the ATTIS record’s weekly earnings and sample weight.

TABLE A.1
Distance Function Variable Weights and Standard Deviations

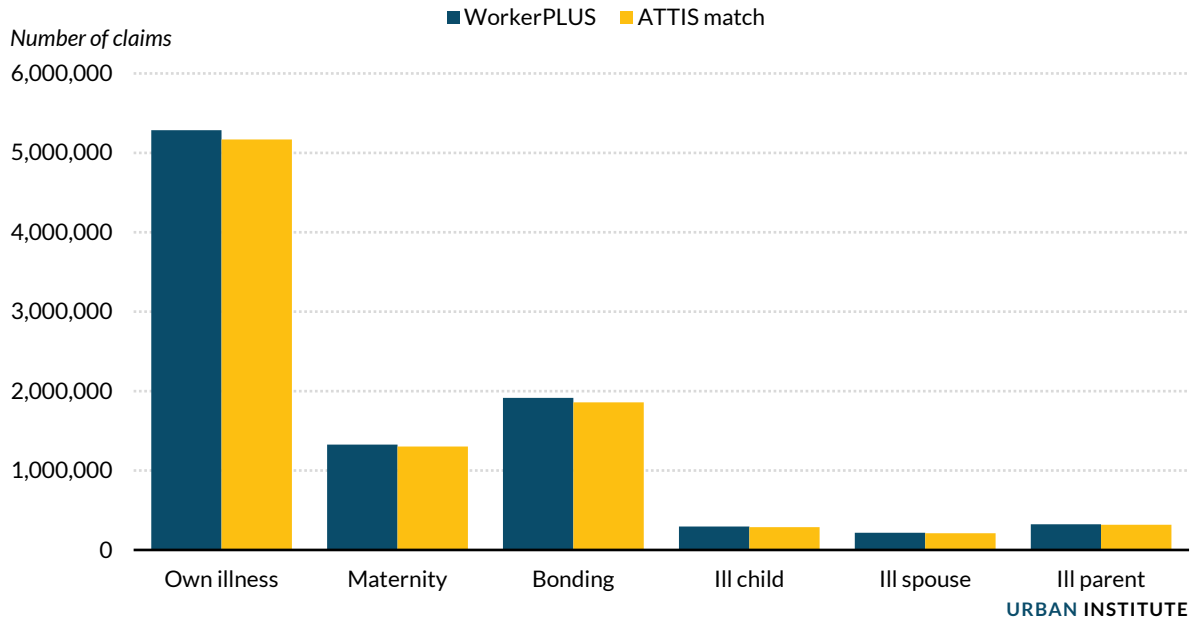
Characteristic	Weight	Male standard deviation	Female standard deviation
Female	10	1.000	1.000
Married	1	0.485	0.495
Widowed	1	0.095	0.176
Divorced	1	0.250	0.325

Characteristic	Weight	Male standard deviation	Female standard deviation
Separated	1	0.122	0.141
Never married	1	0.452	0.438
Less than high school	1	0.247	0.202
High school graduate	1	0.429	0.401
Some college	1	0.431	0.437
Bachelor's degree	1	0.445	0.459
Graduate school	1	0.379	0.397
Black	1	0.266	0.298
Other race	1	0.117	0.119
Asian	1	0.297	0.287
Native American	1	0.037	0.035
Hispanic	1	0.364	0.355
No elderly in household	1	0.387	0.400
Age	10	13.832	13.603
Age squared	10	1277.034	1252.718
Family income	100	131660.077	127473.943
Usual hours worked per week	100	9.502	9.593
Work for non-profit	1	0.222	0.307
Low-wage dummy	1	0.395	0.431
New baby dummy	1000	0.169	0.171
No own children	1	0.476	0.473
Class of worker	10	0.802	0.936
Weekly earnings	1000	2875.082	1484.337
Person weight	100	81.939	73.958
Unpaid days	10	22.060	24.900

Source: Authors' calculations.

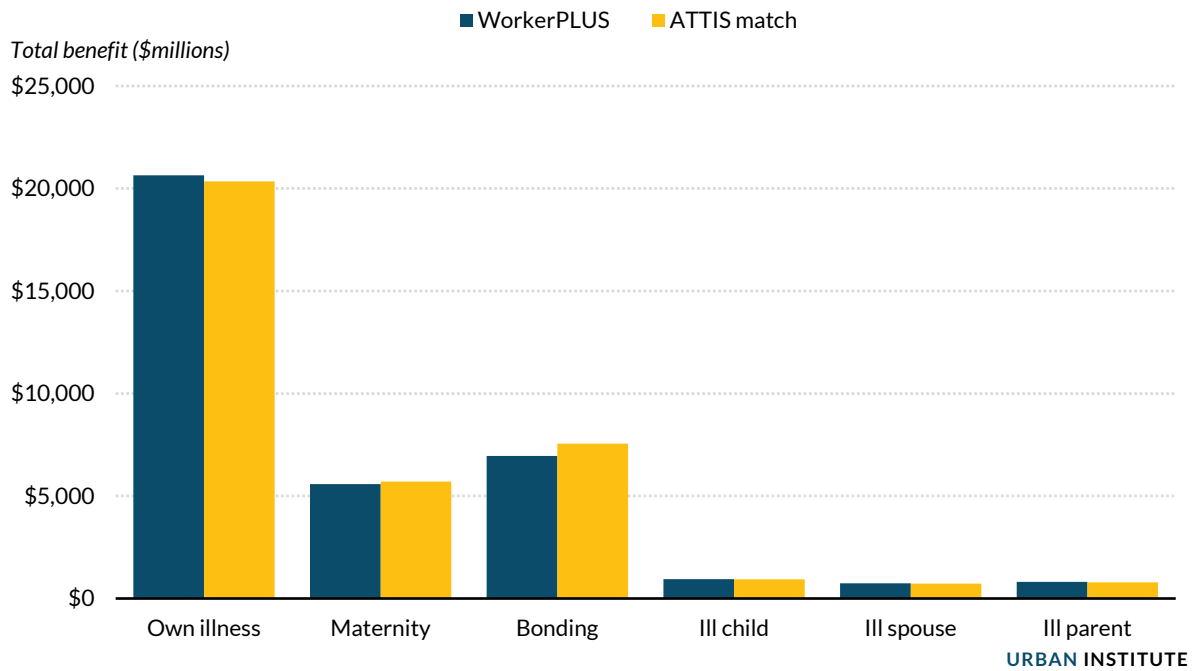
Generally, the number of claims and total paid leave benefits are the same for the unadjusted Worker PLUS simulation and the ATTIS statistical matched file. They only differ to the extent that the matched ATTIS records have different weights or weekly earnings than the Worker PLUS record. The ATTIS matched file has about 2 percent fewer claims than the Worker PLUS file (figure A.1) and about 1 percent more benefits paid than the Worker PLUS file (figure A.2). Average weekly durations are virtually identical for each benefit type (figure A.3). Average weekly benefits are about 3 percent higher on the ATTIS matched file than the Worker PLUS file (figure A.4) with the biggest differences for maternity leave (4 percent higher) and bonding leave (12 percent higher). This suggests that average weekly earnings among ATTIS records who had a new baby were generally higher than the earnings of Worker PLUS records predicted to receive these benefits.

FIGURE A.1
Number of Paid Leave Claims by Source



Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

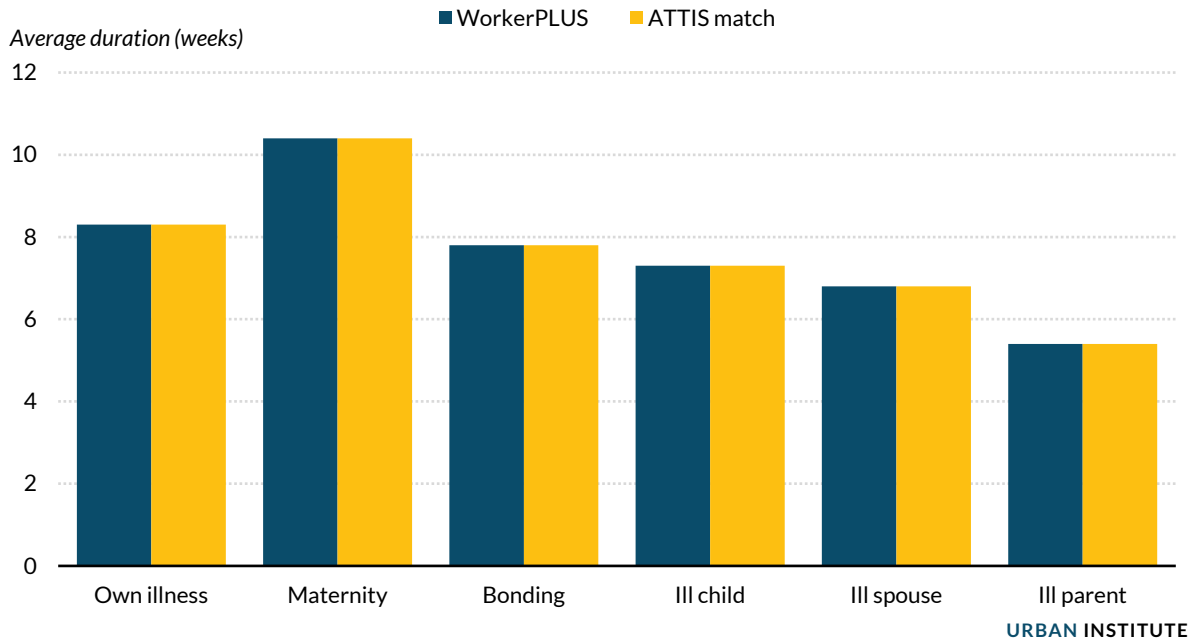
FIGURE A.2
Total Annual Paid Family and Medical Leave Benefits by Benefit Type and Source



Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

FIGURE A.3

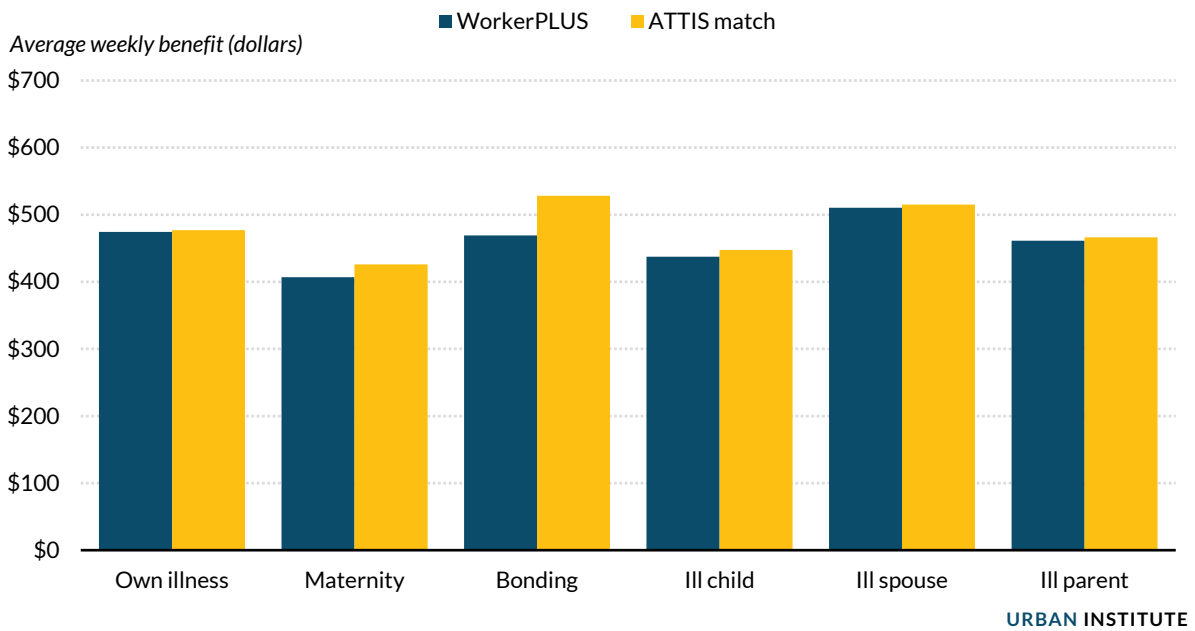
Average Weekly Spell Duration by Benefit Type and Source



Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

FIGURE A.4

Average Weekly Benefit by Benefit Type and Source



Source: Authors' calculations from the Worker PLUS model linked to ATTIS.

Worker PLUS Simulations for Legacy States

We used the Worker PLUS model to estimate the PFML benefit for the FAMILY Act if implemented in 2018. We also estimated the PFML benefits for four states that had paid family and medical leave programs in 2018: California, New Jersey, New York, and Rhode Island.

Table A.2 shows the Worker PLUS parameters we used for the four state simulations and the FAMILY Act. Among these five simulations, the program rules have different minimum earnings requirements, cover different sectors, different waiting periods, and provide different benefit amounts. They also have different payroll tax rates and wage caps.

TABLE A.2
Worker PLUS Parameters by Simulation
Amounts are in 2018 dollars

Parameter	California	New Jersey	New York	Rhode Island	FAMILY Act
Year	2018	2018	2018	2018	2018
Place of Work	TRUE	TRUE	TRUE	TRUE	TRUE
Minimum annual earnings	300	8,500	500	4,040	1,596
Minimum annual work weeks	1	1	26	1	1
Minimum annual work hours	1	1	1	1	1
Minimum employer size	1	1	1	1	1
Minimum weekly benefit	50	0	0	0	106.8
Weekly benefit cap	1,216	637	653 (FLI) 170 (TDI)	817	736.53
Include private employees	TRUE	TRUE	TRUE	TRUE	TRUE
Include government employees, federal	FALSE	FALSE	FALSE	FALSE	TRUE
Include government employees, state	TRUE	TRUE	FALSE	TRUE	TRUE
Include government employees, local	TRUE	TRUE	FALSE	TRUE	TRUE
Include self-employed	FALSE	FALSE	FALSE	FALSE	TRUE
Simulation method	Logistic Regression GLM	Logistic Regression GLM	Logistic Regression GLM	Logistic Regression GLM	Logistic Regression GLM
Share of dual receivers	1	1	1	1	1
Alpha	1	1	1	1	1
Minimum leave length applied	5	5	5	5	5
Waiting period	0	5	0	5	0

Parameter	California	New Jersey	New York	Rhode Island	FAMILY Act
Recollect benefits of waiting period	FALSE	TRUE	FALSE	FALSE	FALSE
Minimum leave length for recollection	0	15	0	0	0
Dependent allowance	FALSE	FALSE	FALSE	TRUE	FALSE
1st dependent	-	-	-	0.07	-
2nd dependent	-	-	-	0.07	-
3rd dependent	-	-	-	0.07	-
4th dependent	-	-	-	0.07	-
5th dependent	-	-	-	0.07	-
Clone Factor	1	1	1	1	1
Random Seed	12,345	12,345	12,345	12,345	12,345
Wage replacement type	Wage bracket-based	Wage bracket-based	Wage bracket-based	Wage bracket-based	Wage bracket-based
Wage replacement rate1	0.7	0.67	0.5	0.6	0.85
Wage replacement rate2	0.6	0	0	0	0.69
Wage replacement rate3	0	-	-	-	0.5
Wage replacement rate4	-	-	-	-	0
Wage replacement cutoff1	28,616	49,439	67,912	70,807	12,035
Wage replacement cutoff2	100,617	∞	∞	∞	33,512
Wage replacement cutoff3	∞	-	-	-	59,364
Wage replacement cutoff4	-	-	-	-	∞
Benefit weeks for own illness	52	26	26	30	12
Benefit weeks for maternity	52	26	26	30	12
Benefit weeks for bonding	6	6	8	4	12
Benefit weeks for ill child	6	6	8	4	12
Benefit weeks for ill spouse	6	6	8	4	12
Benefit weeks for ill parent	6	6	8	4	12
Take-up rate for own illness	0.0285	0.0169	0.0335	0.0669	0.0323
Take-up rate for maternity	0.0104	0.0057	0.0100	0.0182	0.0081
Take-up rate for bonding	0.0159	0.0085	0.0117	0.0233	0.0117
Take-up rate for ill child	0.0012	0.0004	0.0020	0.0052	0.0018
Take-up rate for ill spouse	0.0012	0.0005	0.0012	0.0085	0.0013
Take-up rate ill parent	0.0012	0.0007	0.0018	0.0047	0.0020
Taxable wage cap	\$114,976	\$33,700	FLI cap: 67,908 TDI cap: 6,240	\$69,300	Uncapped
Payroll tax rate for worker TDI	0.001	0.0019	0.0050	0.0110	0.0020
Payroll tax rate for worker FLI	-	0.0009	0.0126	-	-
Payroll tax rate for employer TDI	-	0.0050	0.0000	-	0.0020

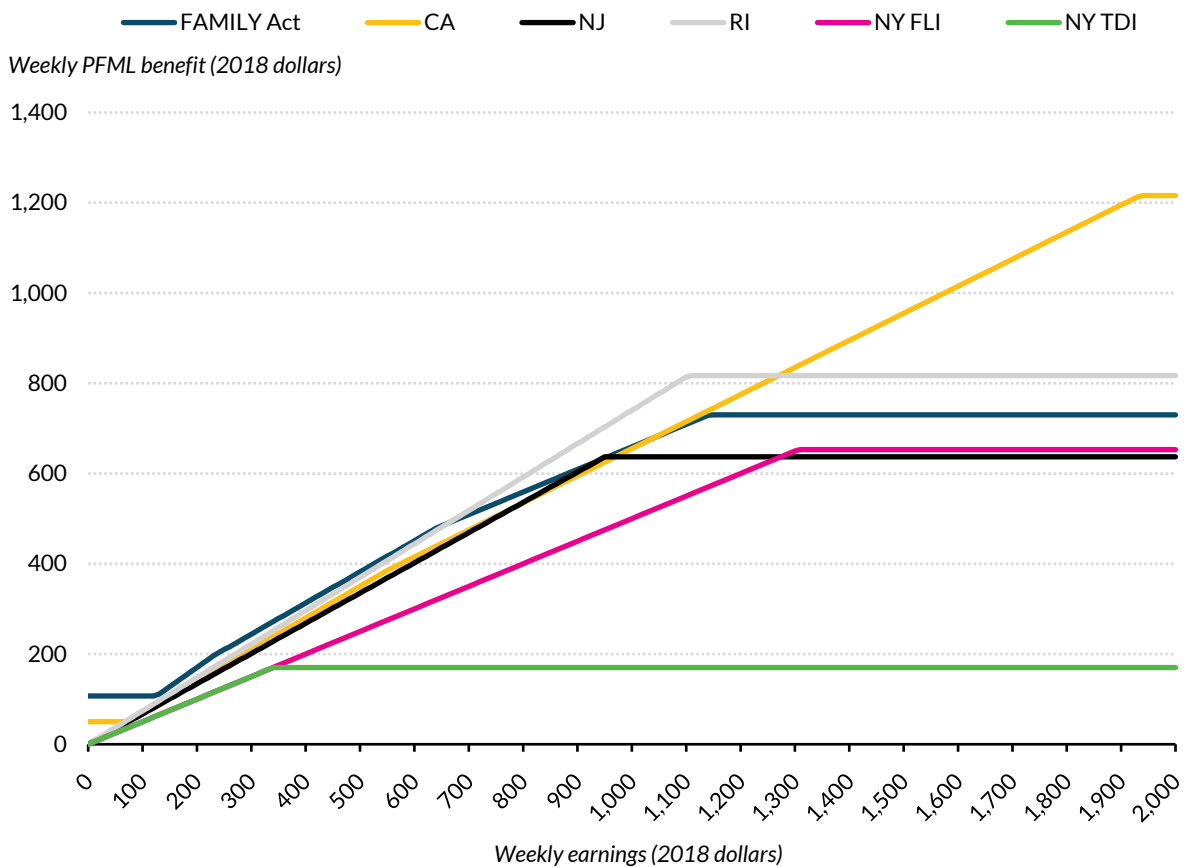
Source: Authors' calculations from the Worker PLUS model.

Notes: FAMILY Act provisions use 2024 amounts converted to 2018 dollars. FLI is family leave insurance. TDI is temporary disability insurance.

Figure A.5 shows the weekly benefit amount by weekly earnings for the five simulations. Except for California workers with earnings over \$1,040 per week and Rhode Island workers, the FAMILY Act provides higher weekly benefits than the other legacy states. Compared with New York temporary disability benefits (capped at \$170 per week), the FAMILY Act provides substantially higher benefits for eligible workers.

FIGURE A.5

Weekly Paid Family and Medical Leave Benefit by Weekly Earnings and Policy Simulation



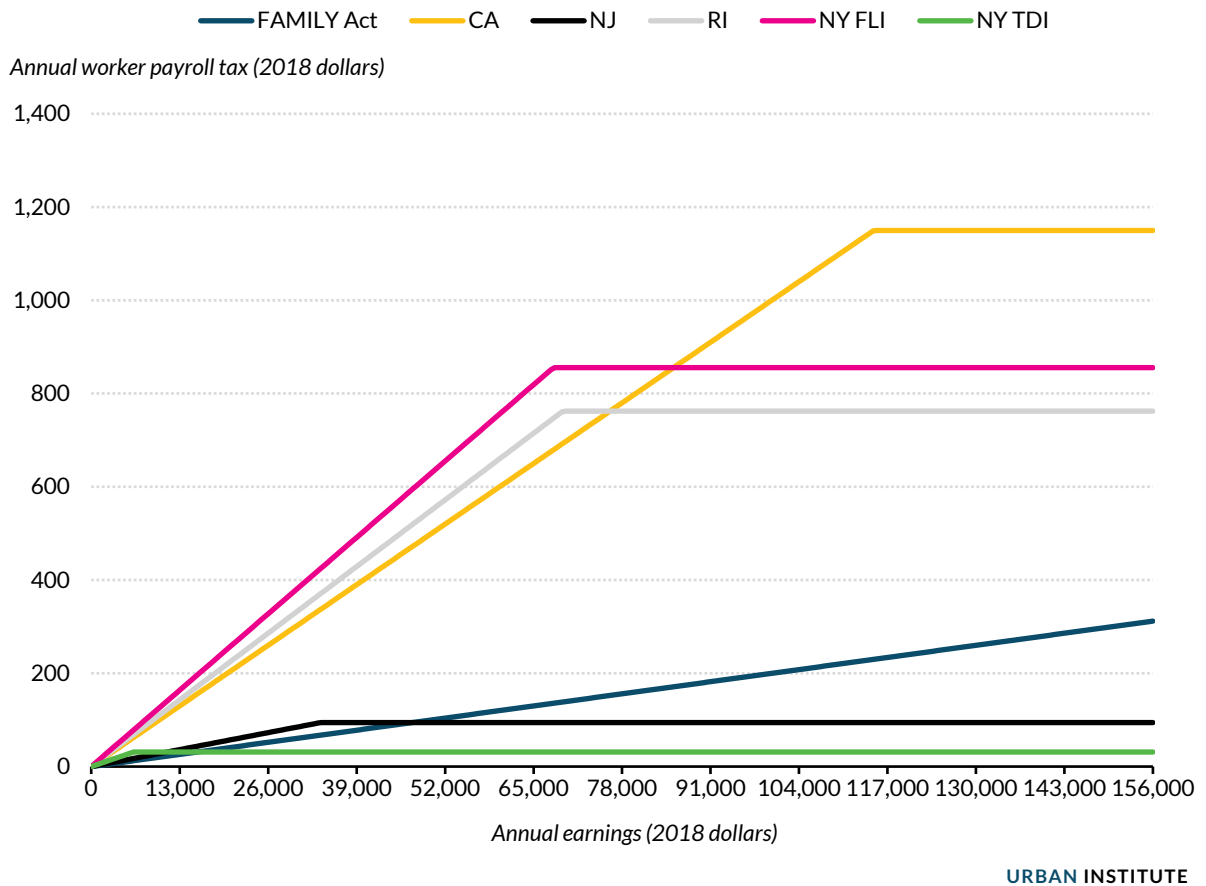
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Source: Authors' calculations based on policy provisions.

Notes: Rhode Island benefits are shown for a worker with two dependents. Rhode Island's dependent allowance generally provides higher benefits than the FAMILY ACT for families with three or more dependents and lower benefits for families with fewer than two dependents.

Figure A.6 shows the annual worker payroll tax by annual earnings for the five simulations. The FAMILY Act generally has a lower payroll tax rate than the legacy states. Unlike the legacy states, the FAMILY Act does not impose a cap on taxable earnings. The FAMILY Act generally provides higher benefits for a lower worker payroll tax rate than the legacy states. This is partly because a larger share of funding is paid by employers, partly because the FAMILY Act payroll tax is not capped, and partly because the FAMILY Act is not fully funded through the proposed payroll tax rate (based on Congressional Budget Office estimates of an earlier version of the FAMILY Act (Swagel 2020)).

FIGURE A.6
Annual Worker Payroll Tax by Annual Earnings and Policy Simulation



Source: Authors' calculations based on policy provisions.

After passage of the FAMILY Act, we assume that legacy states will provide workers the higher of benefits promised under the FAMILY Act or their legacy state benefit. When the state's leave duration cap is higher than the FAMILY Act duration cap (12 weeks for all benefit types), we assume states provide benefits for the higher of their legacy duration or 12 weeks. We assume the FAMILY Act

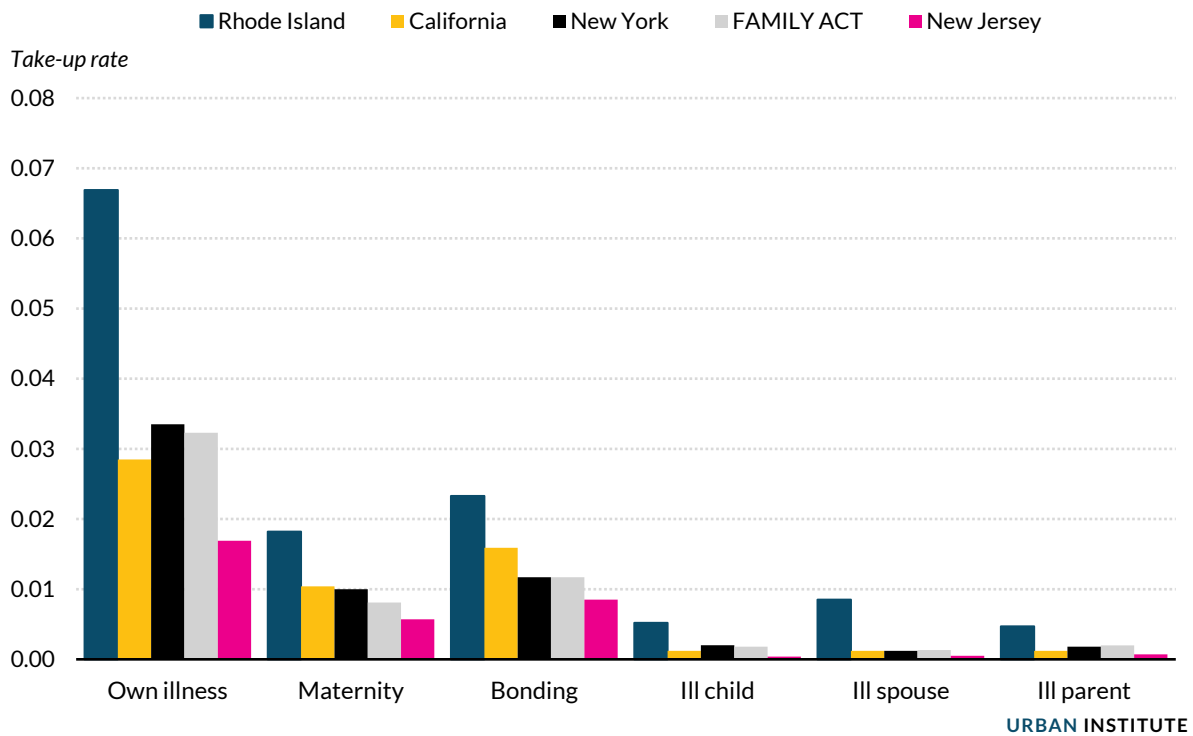
administrators will transfer to legacy states its estimated benefits payable under the FAMILY Act provisions plus 5 percent of taxable payroll to cover administrative expenses and assume that legacy states adjust their payroll tax rates after the FAMILY ACT transfer to cover their cost (including administration expenses) of providing their benefits. Based on this calculation, in addition to the 0.2 percent of earnings assessed for the FAMILY Act, California workers would pay an additional 0.044 percent of earnings, New York workers would pay an additional 0.012 percent of earnings, Rhode Island workers would pay an additional 0.046 percent of earnings, and New Jersey requires no additional payroll tax to fund its program.

In addition to the program parameters, the number of claims and total cost of benefits are very sensitive to the user-supplied take-up rates and the value of alpha. The underlying Worker PLUS model projects more people to have covered leave than are selected to take the paid leave benefit. The user-supplied take-up rates determine the number of eligible workers the model will select to receive the projected leave. The alpha term allows Worker PLUS to disproportionately select beneficiaries with longer durations to participate in the paid leave program. An alpha value of zero randomly selects participants among all projected beneficiaries. The higher the alpha, the greater the probability of selecting longer-duration beneficiaries.

We determined the take-up rates and alpha values for the legacy states by simulating their 2018 state-specific programs and comparing the Worker PLUS projected results with published administrative data. The final parameters are shown in table A.1. Importantly, the take-up rates required to meet the administrative totals varies quite a bit by state (figure A.7). New Jersey generally has the lowest take-up rate and Rhode Island has the highest take-up rate. This variation may partly reflect sampling error due to their small sample sizes. They may also reflect differences in outreach and knowledge about the state PFML programs among workers. We used take-up rates for California and New York and modeled results for Washington State (not shown) to determine the take-up rate for the FAMILY Act.

FIGURE A.7

Paid Family and Medical Leave Take-Up Rates by Benefit Type and Simulation



Source: Authors' calculations based on policy provisions.

After determining the baseline legacy states' take-up rates and alpha values, we reestimate each legacy state using FAMILY Act provisions, assuming each state provides the higher of the legacy benefit or the FAMILY Act benefit.

Statistical Match to ATTIS Data for Legacy States

As with the basic FAMILY Act simulation, we do a statistical match to link the Worker PLUS projected paid leave beneficiaries to ATTIS records who work in the legacy states. Instead of trying to fit the status quo unpaid leave days into ATTIS unpaid days, we try to fit the counterfactual days into ATTIS unpaid days, where counterfactual days is the number of leave days the worker takes in the presence of the legacy state's program.

To measure the impact of the FAMILY Act on person and family incomes, we want ATTIS to measure individual and family status as of 2018 before and after implementing the FAMILY Act. For the legacy states, the 2018 status quo includes the four legacy state programs with projected legacy leaves

and benefits. For non-legacy states, the status quo includes no state paid leave benefits. We want the statistically matched ATTIS record to be same for both the 2018 baseline (before the FAMILY Act) and after the FAMILY Act. The nature of the statistical match makes this problematic.

We solve the ATTIS consistency problem by using the statistical matched files that simulate the FAMILY Act. The result of this statistical match generates the most PFML beneficiaries. Using the results of this statistical match, we recalculate baseline benefits for the four legacy states. This recalculation makes the following adjustments:

- We zero out claims and benefits for workers not eligible for benefits under the legacy state provisions.
- We recalculate spell duration using the same logic as the Worker PLUS model. Counterfactual leave duration is a function of employer coverage, status quo leave duration, maximum leave needed duration, employer leave replacement rate, state paid leave replacement rate. We recalculate the state paid leave replacement rate using the legacy state benefit provisions.
- For people with recalculated baseline counterfactual leave, we recalculate covered leave using the same logic as the Worker PLUS model. Covered leave applies the waiting period, maximum covered durations, and repayment rules based on baseline recalculated counterfactual days.

At the end of this processing, we generate two analysis files for ATTIS: one for the baseline that includes PFML benefits for the four legacy states, and one for the FAMILY Act that includes PMFL benefits for all states.

Appendix B. ATTIS

ATTIS uses the Census Bureau’s American Community Survey (ACS)¹⁸ to examine a broad array of social safety net programs and household resources at the national and state levels, including who is eligible for benefits, how packages of benefits affect poverty and the income distribution, and how changes to safety-net policies at the state and national level would affect diverse populations. (More information on ATTIS and how it has been used is available on Urban’s website at this address:

<https://www.urban.org/research-methods/attis-microsimulation-model>.)

While other models focus on a single program or policy area, ATTIS’ key strength is its comprehensiveness. It can simulate eligibility and benefits for all the major means-tested benefits, including cash assistance (TANF and SSI), federal nutrition programs (SNAP and WIC), and other subsidies including child care subsidies through the Child Care and Development Fund (CCDF), public and subsidized housing, and the Low-income Home Energy Assistance Program (LIHEAP). ATTIS also calculates what families pay in payroll taxes and federal and state income taxes and what they receive in tax credits (including the earned income tax credit, child tax credit, child and dependent care tax credit). ATTIS also has modeling capabilities related to child support and unemployment compensation. Further, ATTIS includes the capability to compute the Supplemental Poverty Measure (SPM) using the Census Bureau’s methodology but making use of simulated levels of benefits, taxes, and tax credits.

As described in prior sections, we use the Worker PLUS model to simulate receipt of PFML benefits and payment of the PFML payroll tax. We bring the person-level PFML results into ATTIS and simulate eligibility and benefits for means-tested benefit programs and federal and state income taxes. We perform a “baseline” simulation that reflects PFML benefits and payroll taxes under existing state programs in 2018 (in California, New Jersey, New York, and Rhode Island). We then perform the Family Act simulation (our “alternative” simulation), in which we run the ATTIS simulation on the benefits assigned by Worker PLUS for the FAMILY Act scenario.

We show the effects of the FAMILY Act scenario, relative to the baseline, on means-tested benefit programs, federal and state income taxes, and SPM poverty. The SPM poverty calculation accounts for PFML benefits, PFML payroll taxes, the reduction in earnings that occurs when workers replace earnings with paid leave, and the effect of the PFML benefit and earnings’ changes on means-tested benefits and federal and state income taxes.

¹⁸ ATTIS uses the version of the 2018 ACS data produced by the University of Minnesota’s IPUMS project (Ruggles et al. 2020).

Below, we discuss how we apply ATTIS to Worker PLUS simulations. We first describe the 2018 ATTIS baseline that was developed under other funding and was adapted for use in this analysis. We then discuss how we adapt the 2018 ATTIS baseline to create a 2018 baseline for Worker PLUS and how we simulate the effects of the Family Act in ATTIS. We conclude with additional details regarding SPM poverty estimation.

2018 ATTIS Baseline

We use the 2018 ATTIS baseline as the starting point for our analysis. ATTIS simulates monthly eligibility and benefits for means-tested programs. Income amounts reported in the ACS are annual and so ATTIS must distribute work and income across the months of the year. ATTIS distributes weeks of work across the months of the year, based on each person's reported weeks of work, and assigns periods of work and unemployment so that aggregate results match trends in employment and unemployment according to data from the Bureau of Labor Statistics.

Unfortunately, the 2018 ACS does not provide the precise number of weeks that a person worked over the prior 12 months, but rather reports weeks of work in ranges: less than 14 weeks, 14 to 26 weeks, 27 to 39 weeks, 40 to 47 weeks, 48 to 49 weeks, and 50 to 52 weeks. ATTIS uses data from the Current Population Survey Annual Social and Economic Supplement (CPS ASEC) to impute weeks of work from these ranges. The model then allocates weeks of work across the year and assigns the reported earnings to the months in which individuals will be treated as working.

In addition to asking about earnings (wage and salary income and business and farm income), the ACS asks respondents to report income from the following sources: Social Security; public assistance; interest, dividend, and rental income; retirement, survivor, and disability income; SSI, and all "other income." ATTIS uses an imputation based on the CPS ASEC to disaggregate "other income" reported on the ACS into unemployment compensation, child support, and all other income. Unemployment compensation is allocated across weeks of apparent unemployment while accounting for the maximum possible weeks of unemployment compensation and each state's minimum and maximum weekly benefit amounts. Child support income is allocated while accounting for the irregularity of child support receipt as observed in data from the Survey of Income and Program Participation. Social Security, interest, dividend, and rental income, retirement, survivor, and disability income, and all "other income" are allocated evenly across the months of the year.

After reported income and work have been distributed across the months of the year, ATTIS performs baseline simulations for each means tested benefit program, calculating eligibility according to the rules for the benefit program and selecting participants from among people found eligible so that the size and characteristics of the simulated caseload match the actual size and characteristics according to administrative data. ATTIS captures detailed state-level variation in benefit rules and aligns to caseload targets at the state and national level. Eligibility and benefits are calculated monthly and so people can be simulated to receive assistance from a program for anywhere from one to twelve months of the year.¹⁹

The benefit programs are modeled sequentially, so that interactions across programs can be captured. For example, a family's receipt of SSI affects their eligibility for TANF and the level of their SNAP benefit (in addition to affecting other benefit programs). The ATTIS baseline first corrects for underreporting of unemployment compensation in the ACS, and then simulates SSI, TANF, CCDF child care subsidies, public and subsidized housing, SNAP, WIC, and LIHEAP. ATTIS also simulates payroll taxes and federal and state income taxes and credits.

Creating the Worker PLUS Adjusted 2018 ATTIS Baseline

The ACS does not ask respondents about receipt of PFML benefits. It is possible that some of these benefits are reported in response to ACS questions about retirement, survivor, and disability income or "other income," but if so, they cannot be separately identified, and rules pertaining to the treatment of PFML benefits were not previously captured in ATTIS simulations.

Starting from the 2018 ATTIS baseline, we created an adjusted 2018 ATTIS baseline for use in this analysis. The adjusted baseline incorporates the Worker PLUS PFML benefits and payroll taxes for workers in the four states with PFML programs in 2018. As described below, we also adjust weeks of work for some workers in the ATTIS baseline, to provide consistency between Worker PLUS and ATTIS.

The modified baseline reads in Worker PLUS variables for a worker's PFML benefits and the number of days in which benefits are received. Benefits are assigned to "unpaid days" within ATTIS.

¹⁹ LIHEAP is an exception. Benefits for LIHEAP are estimated annually.

“Unpaid days” are days in which the recipient is neither working nor receiving unemployment compensation.²⁰

The statistical match that assigns Worker PLUS PFML benefits to ATTIS workers strives to select an ATTIS worker who has enough unpaid days to absorb the Worker PLUS model’s estimate of days taken with PFML and days taken as unpaid leave to meet family and medical needs. However, this is not always possible. When the days of coverage by existing 2018 PFML programs and days taken as unpaid leave are more than the number of “unpaid” days in ATTIS, we change ATTIS “paid” days to “unpaid” days, shifting the earnings from these days to the remaining “paid” days. We choose to shift earnings to remaining work days rather than zeroing them out because we assume that annual earnings are accurately reported in the ACS and recognize that the number of weeks worked is imprecisely reported. Weeks worked are reported in ranges, as noted above. Also, some people who take paid or unpaid leave (including occasional or intermittent leave of a day or two at a time) may consider themselves to be full-year workers and report working 50 to 52 weeks of the year.

If a worker is simulated to have PFML benefits from a state with a PFML program in 2018, we assign the benefits to the worker, starting at the beginning of the first nonworking spell in the ATTIS data. We then run the ATTIS baseline benefit and tax simulations to capture the effect of the PFML benefit and our earnings adjustments on means-tested benefits and federal and state income taxes. We compute the SPM poverty level for each family, factoring in the PFML benefits, worker share of the payroll tax used to finance the state programs, and the federal and state taxes paid on PFML benefits.²¹

FAMILY Act Scenario

The FAMILY Act scenario begins with the input data that includes the adjustments to weeks worked made in the baseline scenario. We assign benefits received under the FAMILY Act scenario to workers, starting with the first day following the end of the first spell of work simulated for the year. If a person was not simulated to take any paid or unpaid leave in the absence of the FAMILY Act, we pick a random starting month for the FAMILY Act leave to begin.

²⁰ Worker PLUS estimates leave length in days. ATTIS typically uses week or month as the reference period. We represent Worker PLUS leave in ATTIS as fractional weeks when necessary, assuming a 5-day workweek. We refer to ATTIS “unpaid days” for ease of presentation.

²¹ Our adjustments to earnings in the baseline do not affect the SPM, because we do not change annual earnings, we just adjust the weeks earnings are received by some workers.

In general, we first assign FAMILY Act PFML benefits to any “unpaid days” in ATTIS. If there are no unpaid days, or if the benefit days under the FAMILY Act exceed the ATTIS worker’s unpaid days, we change working days to unpaid days, assigning PFML benefits to those days until the total number of benefit days has been reached. We zero out earnings for any working day that is converted to a PFML benefit day in the FAMILY Act scenario. We then rerun the ATTIS means-tested benefit and tax simulations, and the SPM poverty estimates, to capture the effect of the benefits, taxes, and earnings changes under the FAMILY Act scenario. For more detail on assumptions regarding the treatment of PFML benefits in means-tested programs included in ATTIS as well as taxation of benefits, see accompanying brief, “Paid Family and Medical Leave Means-Tested Benefits and Taxes” (Boyens, Hueston et al. 2024).

SPM Poverty Definition

We use the SPM, an expanded poverty measure that uses a broad measure of family resources. The SPM considers not only a family’s cash income but also their tax payments, child care, other work-related expenses, medical out-of-pocket expenses, tax credits, and in-kind benefits, such as housing subsidies and nutrition help. The SPM “family” includes all related persons within a household plus their cohabiting partners and their partner’s family. Unrelated children under the age of 15 are included in the householder’s SPM family. A person who lives alone or is unrelated to other household members (and not a cohabiting partner) is considered a one-person family. A family is counted as living in poverty if its resources are below a given threshold based on family size; number of children; geographic location; and whether the family rents, owns their home with a mortgage, or owns their home without a mortgage.

We base our approach on the Census Bureau’s SPM methodology (Fox 2019) as adapted for the ACS (Fox, Glassman, and Pacas 2020). We differ from the Census Bureau ACS SPM in that we construct family units using relationship variables constructed by the University of Minnesota’s IPUMS project (Ruggles et al. 2020) and use benefit and tax amounts generated by ATTIS.²²

²² The Census Bureau’s ACS implementation assigns family units following the IPUMS methodology. We use the IPUMS version of the 2018 ACS data.

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