

Paid Family and Medical Leave Promotes a Healthier and More Effective Workforce

Position Statement in support of House Bill 740

Given before the Economic Matters Committee

A state-run family and medical insurance fund would help Maryland workers continue to afford housing, food and other necessities when they have to take time off for major medical and family needs. It would also afford many working Marylanders the opportunity to recover or care for their families during times of need without the fear of losing their jobs. For this reason, the Maryland Center on Economic Policy supports House Bill 740.

The fund would provide up to 12 weeks of partial wages for Maryland workers who need to take time off to care for a new child, a family member with a serious health condition, or the employee's own serious health condition, or due to a family member's military deployment.

The Family & Medical Leave Fund creates an insurance fund similar to Social Security, in which the workforce pays into a state system. This would allow an employee to go on family or medical leave and receive 66 percent of his or her salary from the state, similar to short-term disability. Providing paid family leave would help more people keep their jobs while having the time they need to care for their families – and it would reduce dependence on costlier public assistance and public health programs.ⁱ The economic benefits that this program would offer far outweigh the cost, which is about \$35 a year per worker.

While these policies would benefit everyone, they would be particularly helpful to new mothers. According to a national study by the Bureau of Labor Statistics, about 57 percent of mothers of newborns and nearly two-thirds of women with children under six are in the workforce.ⁱⁱ Nearly 1 in 4 new mothers return to work less than two weeks after having a child because they cannot afford to take unpaid leave. Creating the Family and Medical Leave Fund would help these mothers recover properly without worrying about how their families will continue to afford basic needs.ⁱⁱⁱ Making sure that mothers have jobs when returning to the workplace helps Maryland's workforce stay strong.

Creating a Maryland where workers can keep their jobs while simultaneously dealing with life's expected and sometimes unexpected events is necessary to foster a strong economy. If working Marylanders cannot take time off from work to deal with important family matters without the fear of losing their jobs or risking their economic stability, Maryland businesses suffer due to higher employee turnover and, as a whole, the state will have a higher demand for its assistance programs. Providing hardworking Marylanders with financial support and flexibility during their times of need is essential to Maryland's economy.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Economic Matters Committee give a favorable report to House Bill 740.

ⁱ Bouchey, Heather. "Family Friendly Policies: Helping Mothers Make Ends Meet." *Taylor & Francis*. Center for Economic Policy Research, 21 Apr. 2008. Web. <<http://www.tandfonline.com/doi/abs/10.1080/00346760701668446#.VtROAZMrLBI>>.

ⁱⁱ "Employment Characteristics of Families Summary." *U.S. Bureau of Labor Statistics*. U.S. Bureau of Labor Statistics, 23 Apr. 2015. Web. 29 Feb. 2016. <<http://www.bls.gov/news.release/famee.nro.htm>>.

ⁱⁱⁱ Gomby, Deanna, and Dow-Jane Pei. "Enabling Family Leave." *Family Policy in Transformation* (n.d.): n. pag. The David and Lucile Packard Foundation. Web.