



## HB18-1001: Family and Medical Leave Insurance

Everyone has family care responsibilities at some point, yet most Coloradans don't have paid leave to recover from a serious illness, care for a seriously ill family member or welcome a new baby. The Family and Medical Insurance Leave Act (FAMLI) would guarantee all Colorado workers up to 12 weeks of paid leave to care for themselves and their families. The federal Family and Medical Leave Act (FMLA), which provides unpaid family and medical leave, excludes roughly 40% of Americans. Among those who do qualify for FMLA leave, nearly half cannot afford to take time off without pay.

### How It Works

- HB18-1001 creates a Family and Medical Leave Insurance division within the Colorado Department of Labor and Employment.
- The program is entirely funded and sustained through employee contributions. All employees in Colorado will contribute a small premium to the Family and Medical Leave Insurance program, about \$2-5 per week.
- Employees who have worked at least 680 hours in the previous year will receive wage replacement when they take leave for their own serious illness or temporary disability, to take care of an ill family member, for the birth or adoption of a new child, and for approved military family needs.
- Employees in Colorado will be able to receive wage replacement for up to 12 weeks per year. FAMLI replaces 66% to 95% of a worker's wages, with lower-income workers receiving a larger percentage of their wages. Wage replacement is capped at \$1,000 per week.
- Employees will be guaranteed their same or equivalent job when returning from leave, and will be protected from discrimination or retaliation from their employer.

### FAMLI is Good for Working Families and the Economy

- Working families in the U.S. lose \$20.6 billion in wages annually due to the lack of paid leave.
- Studies show that 7% of people who filed for bankruptcy cited the birth of a child as the cause. A significant number of bankruptcies also happen after a worker misses two or more weeks of work due to illness.
- Parents who took leave report lower levels of public assistance in the year following their child's birth, when compared to those without paid leave.
- Allowing seniors to age in their homes with family caretakers instead of long-term care facilities saves the state money.
- When cared for by family members, patients in the hospital recover from illness and injury faster, leading to shorter hospital stays, improved health outcomes, and decreased health costs.
- Women, who are the primary or co-breadwinners for nearly 2/3 of the nation's families, are more likely to be employed the following year and report increased wages if they take paid leave after a child's birth.
- Family and medical leave insurance increases men's role in caregiving by making it possible for them to be involved without the family taking a big financial hit. In Rhode Island, during the first year that paid time off for caregiving was available, nearly one-third of all leave takers were men.



*"When my daughter needed surgery and my elderly father needed immediate medical attention at the same time, times were tough. FMLA gave me the time off to take care of them, but without paid time off, I had to choose between paying rent and caring for my family." – Shelby Ramirez Martinez, 9to5*

## **FAMLI is Business-Friendly**

- Businesses will not pay an employee's salary during leave and can use savings for profit, to hire replacement workers, to expand the length of paid leave or to supplement worker wages.
- Businesses will benefit from higher productivity and worker retention/loyalty.
- Small businesses will be able to better compete with larger companies since paid family leave will be universally available.
- A 2017 poll released by Small Business Majority found that 81% of small businesses support FMLA and 70% support a **paid** family and medical leave insurance program.
- A 2013 study found that 87% of California employers said the state's paid family leave program had either positive or neutral effects on business. A recent Rutgers study shows that New Jersey's FMLI program has saved businesses money by improving employee retention, decreasing turnover costs, and improving productivity.

## **FAMLI is Good for the Health of Coloradans**

- Nearly 1 in 4 new mothers return to work within 2 weeks because they cannot afford to go without pay.
- Women with paid family leave are much more successful in breastfeeding which has numerous benefits for both the mother and the baby.
- 12 weeks of paid leave increases childhood checkups and immunizations and has a positive impact on birth weight and infant mortality. Additionally, sick children recover faster when cared for by a parent.
- Nearly 3 out of 4 workers in the U.S. will spend at least part of their adult lives living with a disability, yet only 37% of the workforce is covered by private temporary disability insurance policies.
- Unpaid caregivers enable 2/3 of older adults to remain in their homes and communities, rather than in long-term care facilities. Adults in need of long-term care have better mental and physical health when cared for in the home.
- A 2017 survey from the American Cancer Society showed that cancer patients with paid leave were more likely to afford treatment, schedule and attend all appointments and manage symptoms/side effects.

## **Voters Support FAMLI**

- 2016 polling in 15 states including Colorado showed that voters would be more likely to vote for an elected official or candidate who supports creating a paid family and medical leave fund.
- A recent Washington Post poll found that more than four-fifths of voters – including 94 percent of Democrats, 80 percent of Independents and 65 percent of Republicans – agree that workplace rules to ensure paid time off to care for family members “is good for our nation.”
- A strong majority of voters say they face challenges when managing job, family and personal responsibilities: 63% of full-time workers and 67% of part-time workers say they would likely face significant economic hardship if they had to take time from their jobs without pay.

## **Colorado Should Lead the Way**

- California, Rhode Island, New Jersey and New York have implemented paid leave insurance programs.
- Washington DC and the state of Washington have newly passed paid leave insurance programs.
- Colorado is one of 14 states working to pass family and medical leave insurance in 2018.
- The United States is the only developed nation in the world that does not guarantee paid maternity leave.

**For research references or more information,** visit [www.cofamily.com](http://www.cofamily.com) or contact Neha Mahajan, 9to5 Colorado Director, at [neha@9to5.org](mailto:neha@9to5.org) and Meghan Raynes, Siegel Public Affairs, at [meghan@siegelpa.com](mailto:meghan@siegelpa.com)