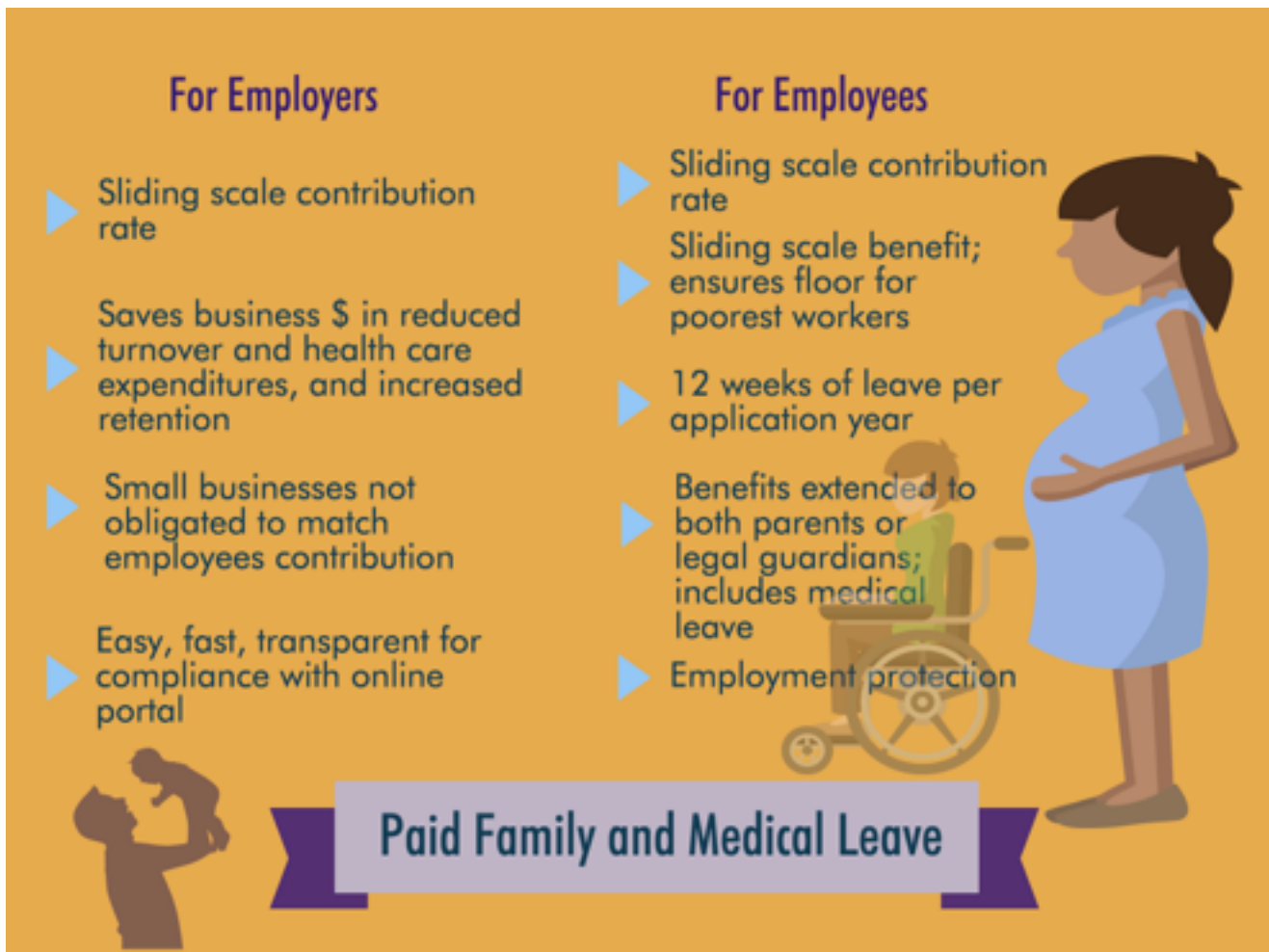

PAID FAMILY AND MEDICAL LEAVE

Seattle Women's Commission Paid Family Leave Policy Priorities



Purpose

This document outlines the policy priority areas of the Seattle Women's Commission for extending 12 weeks of paid family leave to both internal City employees and for a City-wide approach. These policy priority areas reflect the Commission's stance on best-practices for an effective, equitable, and strong paid family leave policy. In effect, we believe that any paid family leave policy that the City adopts, whether internal or external, should include these policy priorities.

Seattle could be the first city to extend paid family leave. The District of Columbia is currently considering legislation to extend 16 weeks, and have provided ample evidence that his policy is actionable at the City level.

Executive Summary

Paid Family and Medical Leave is Timely: Advocates, legislators, businesses, and leaders from across Washington State have been advocating for universal paid family and medical leave (herein referred to only as “family leave”) for **over 10 years**. Paid family leave has become a central policy issue at the national, state, and city level as more and more businesses add it to their benefit packages and as states and municipalities consider new legislation. National polling figures indicate a high level of support with **8 in 10 American’s supporting paid family leave**. Large, positive gains are occurring in public opinion across all demographics,

The Policy is Simple and Fair: Three states currently have paid family leave policies (New York, California, Rhode Island). The District of Columbia is currently considering a framework that is most applicable to Seattle. The framework sets up a fund administered by the Office of the Chief Financial Officer where employers and employees who live and/or work in DC **contribute on a sliding scale** based on income. Employees are eligible for **16 weeks of leave** for a variety of qualifying events in a sliding scale that **ensures the poorest residents are actually able to take this leave** (i.e. those making less than \$52k per year are reimbursed for 100% of their paycheck).

The Need for Investment is Clear: Leading experts in paid family leave agree that this investment is the **best and most effective tool to close the gender wage gap**. Beyond this, there are decades of public health and econometric research indicating that paid family leave has a significant positive effect on infant and child health, maternal health, and is an **effective poverty fighting tool**. Furthermore, it has been demonstrated that many businesses actively support universal paid family leave in our region and around the United States, such as **small business groups like The Mainstreet Alliance**.

Who We Are: This Seattle Women’s Commission is a a non-partisan advisory committee to the Mayor and Seattle City Council. The Commission’s top 2016-7 legislative priority is paid family leave. For any questions or concerns, please contact Jaron Reed Goddard, Chair of the Seattle Women’s Commission:

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Policy Priorities

Status Quo

Washington State and Seattle do not have a funded paid family and medical leave program. Less than half of Washington State employees are eligible for the federal Family Medical Leave Act (FMLA) entitling them to 12 weeks of *unpaid* leave for care of a child.

In 2007 a framework for paid family leave was passed by the Washington State legislature, but never funded because the law required 100% of its funding to come from the general fund. This policy is now *not* widely advocated for by its original proponents as it provides a minimal weekly benefit, excludes many family members from accessing it, and is financially unsustainable given Washington State's tax code.

A new proposal has been introduced for the past three consecutive years beginning in 2012; this proposal closely models the successful statewide laws in effect in California, New Hampshire, Hawaii, New York, and New Jersey.

For access to the language, bill report, and other pertinent information of the framework as passed by the Washington State House Labor Committee (Chair Mike Sells) in 2015, please see here: <http://app.leg.wa.gov/billinfo/summary.aspx?bill=1273&year=2015>

Policy Priorities for 12 Weeks of Universal Paid Family Leave

Benefit Amount Following important lessons learned from the three states with statewide paid family leave, the benefit amount should meet a minimum requirement to ensure that all residents in Seattle can actually afford to take time off. For example, in California, residents only receive between 55-60% of their income, which has led to very low uptake of the program. If you are just making enough to get by, you can't get by on a percentage of that pay. Therefore a sliding benefit scale similar to the proposal put forward by the District of Columbia is advisable. This system reimburses the person's income at 100% up to \$1,000 per week, and then the benefit amount tapers off the more an individual makes.

Portability and Eligibility All Seattle residents who live and/or work in Seattle are eligible to apply for benefits. A key provision of paid family leave is that it should be a portable benefit (i.e. not tied to any one employer). Benefits are established based on total earnings in the eligibility period. Eligible claims include the birth or addition of a child to the family, a serious personal illness not related to their employment, or to take care of an immediate family member with a serious illness.

Calculation of Benefits The determination of one's benefit is based on earnings, where total wages for the two highest quarters in the previous base year are used to calculate the weekly benefit.

Exemptions Following key lessons from other states with this program, there should be important small business exceptions:

- An exception for small business should be considered. It is the recommendation of the Seattle Women’s Commission that businesses with 25 employees or fewer, including self-employed individuals, should not be obligated to match their employees contributions. This cut-off was chosen by the Women’s Commission because the vast majority (over 80%) of service industry businesses have 25 employees or fewer (restaurant, retail, etc). These industries represent the businesses that most typically have low margins, thus, we believe that this cut-off will help protect the most vulnerable businesses while still providing their employees with this benefit. To be clear, employees at these small businesses will still pay in and therefore still remain eligible, but their employer will not be required to match their contribution.

History of Paid Family Leave Policies

- 1993** - Family and Medical Leave Act passes Congress, establishes 12 weeks of unpaid leave only for employees working at businesses of 50 or more, which excludes roughly half of the US population.
- 2002** - California legislature passes the Family Temporary Disability Insurance Act.
Washington State legislature passes Family Care Act, allowing employees to use other forms of paid leave to take time off for care of children, immediate family members.
- 2007** - Washington State legislature passes Family Leave Act. This bill is never funded.
- 2008** - New Jersey legislature passes a Family Leave Insurance Act.
- 2009** - Washington State legislature re-introduces new, self-funded framework; lawmakers delay implementation until 2012 due to budget shortfall
- 2013** - Rhode Island legislature passes Parental and Medical Family Leave Act; Washington State legislature re-introduces new, self-funded framework
- 2014** - U.S. Senator Kirsten Gillibrand introduces the FAMILY Act in the Senate, which is co-introduced in the House of Representatives simultaneously;
Washington State legislature re-introduces new, self-funded framework
- 2015** - U.S. Senator Kirsten Gillibrand re-introduces FAMILY Act in Senate, again jointly with sponsors in the House of Representatives.
Washington State legislature re-introduces new, self-funded framework; passes out of Labor Committee, no vote in the Senate

Coalition Overview

Summary

The primary coalition that has worked legislatively on paid family and medical leave in Washington State for the past decade is the Washington Work and Families Coalition (<http://waworkandfamily.org/>). The Seattle Women's Commission is part of this coalition, and the coalition is comprised more broadly of over dozens of organizations spanning labor, faith, non-profit, and social service sectors, and advocates for a range of family-friendly policies. The group is administered by the Economic Opportunity Institute, a Seattle-based public policy organization.

In order to effectively pursue a citywide strategy, more coalition building must occur within the business community. A wide range of key organizations in other sectors - labor, political, social service, non-profit, faith - is already present as a result of Washington Working Family Coalition's diligent work. The business community needs to be involved early and often in order to succeed in passing a universal paid family leave program.

Coalition List

This list of individuals and groups have either publicly endorsed a universal paid family leave policy, or have been reached out to directly to discuss their level of interest in seeing a universal paid family leave strategy passed at the statewide or citywide level. Their level of support and potential involvement varies, but all have expressed support for advancing paid family leave in Washington State. When details are relevant to the level of support, they are provided.

Electeds

- US Senator Patty Murray
- US Senator Maria Cantwell
- Congressman Adam Smith
- Congressman Jim McDermott
- Congressman Rick Larsen
- Congressman Derek Kilmer
- State Representative Frank Chopp
- State Representative Mike Sells
- State Representative Christine Kilduff
- State Representative Laurie Jinkins
- State Representative Ruth Kagi
- State Representative David Sawyer
- State Representative Tana Senn
- State Representative Luis Moscoso
- State Representative Gael Tarleton
- State Representative Brady Walkinshaw
- State Representative June Robinson
- State Senator Pramila Jayapal
- State Senator Jeanne Kohl-Welles
- King County Councilmember Rod Dembowski
- US Republican Senate Candidate Chris Vance

Non Profit and C4 Organizations

- Washington State Democratic Party
- AARP Washington
- United Way of King County
- MomsRising
- Equal Rights Washington
- Legal Voice
- National Women's Political Caucus - WA
- One America
- Washington Women's Foundation
- NARAL Pro-Choice Washington
- Washington CAN
- Children's Alliance
- Budget and Policy Center
- Nurse Family Partnership
- Children's Campaign Fund
- American Association of University Women
- CASA Latina
- Caring Across Generations
- Early Learning Action Alliance
- Economic Opportunity Institute
- Faith Action Network
- International Community Health Services

- League of Women Voters
- Minority Executive Director's Coalition of King County
- National Organization of Women - Washington Chapter
- Puget Sound Advocates for Retirement Action
- Puget Sound Sage
- Seattle Human Services Coalition
- Seattle Women's Commission
- Statewide Poverty Action Network
- United Transportation Union (UTU)
- Washington Chapter American Academy of Pediatrics
- Washington Senior Lobby
- Washington State Alliance for Retired Americans
- Washington State Association of Head Start / ECEAP
- Washington State Coalition Against Domestic Violence
- Washington State Council of Fire Fighters
- Washington State Nurses Association
- YWCA Seattle | King | Snohomish

Businesses

- Bill and Melinda Gates Foundation
- Port of Seattle
- Pivotal Ventures
- Mainstreet Alliance
- PayScale
- Molly Moon
- Ada Developers Academy

Labor

- Washington State Labor Council
- SEIU 1199
- SEIU 6
- SEIU 925
- SEIU 775
- UFCW 21
- UFCW United Council, Locals 367, 1439 and 365
- Teamsters Joint Council 117

Paid Family Leave in the News

**Bloomberg
Business**

Can the U.S. Ever Fix the Messed-Up Maternity Leave System? *Why U.S. maternity leave policies still fail women and children* (January 2015)
<http://www.bloomberg.com/news/features/2015-01-28/>

TIME

Microsoft Follows Netflix in Expanding Parental Leave Policy (August 2015)

<http://time.com/3986268/microsoft-maternal-paternal-leave/>

n p r

Lots of Other Countries Mandate Paid Leave. Why Not The U.S.? (July 2015)
<http://www.npr.org/sections/itsallpolitics/2015/07/15/422957640/lots-of-other-countries-mandate-paid-leave-why-not-the-us>

The New York Times

Bringing Paternity Leave Into the Mainstream (August 2015)

<http://www.nytimes.com/2015/08/08/your-money/bringing-paternity-leave-into-the-mainstream.html>

Forbes

Why Paid Parental Leave Won't Kill Entrepreneurs (June 2014)
<http://www.forbes.com/sites/karstenstrauss/2014/06/25/why-paid-parental-leave-wont-kill-entrepreneurs/>

**The
Economist**

Baby Steps *America could do better by its mothers. The federal government does not mandate paid maternity leave and leave is job-protected for only twelve weeks* (February 2015)
<http://www.economist.com/blogs/freeexchange/2014/02/>

The Seattle Times

Paid parental leave is good for parents and businesses (February 2015)
<http://www.seattletimes.com/opinion/paid-parental-leave-is-good-for-parents-and-business/>