

# ***Becoming a Parent is No Reason to Lose Your Paycheck***

## **The Federal Employees Paid Parental Leave Act: The Facts About H.R. 626**

### **Why FEPLA is Necessary**

- Current policies are not meeting the needs of a changing U.S. workforce. The typical family has changed significantly since 1950. Men and women are both in the workforce, and dual-earner or single-parents households are far more common than in the past. However, there has been no comprehensive policy response to these changes in the sixteen years since the Family and Medical Leave Act gave employees twelve weeks of unpaid leave for the birth or adoption of a child. Today, few families can afford to go without a paycheck for any length of time, and new parents should not have to choose between paying the bills and spending time with their newborn or newly adopted baby.
- Today's economic maelstrom is the absolute worst climate for leaving a job, because finding new work is excruciatingly difficult. The economy has lost 4.4 million jobs since the recession began in 2007, and experts predict that the unemployment rate will continue to rise in the coming months. 11.6 million Americans are jobless today, and 4 unemployed workers are competing for every 1 job opening. This means that employees who leave work to care for a new child are unlikely to find new jobs once their infants are old enough for day care, as employers downsize and workers are less likely to leave the jobs that remain.
- In these difficult economic times, it is more important than ever that we support our hardworking American families. Even before the economic crisis, millions of dual-earner couples were struggling to stay afloat on two incomes. Now, with massive job losses many of those families are scrambling to pay the bills on just one income. Without paid leave, the birth of a child means that many working families are left with no income at all.

### **How the Federal Government is Falling Behind**

- Currently, the federal government does not guarantee any paid parental leave for the birth or adoption of a child.
- In contrast, 93% of *Working Mother* magazine's "100 Best Companies for Working Mothers" offer at least some paid leave. 75% of Fortune 100 companies offer paid leave.
- Inflexible leave policies hurt the federal government's ability to recruit and retain qualified workers. The federal workforce is significantly older than that of the private

sector, suggesting that the government needs to update its benefit policies in order to continue to employ the best possible workforce.

- The U.S. lags behind the rest of the world in providing paid leave. 163 countries recognize the importance of providing paid leave to families. The United States, along with Lesotho, Swaziland, and Papua New Guinea do not. The United States is the *only* industrialized country that does not.

### **The Benefits of Paid Parental Leave**

- Paid parental leave is a critical source of economic security for strapped working families. At a time when many parents are relying on one income due to the miserable job market, paid leave is a lifeline that can prevent hardship.
- Paid parental leave is good for children. Multiple studies show that when parents are forced to return to work early out of economic necessity, newborns' health suffers. Compared to other infants, children of working parents unable to take leave have lower rates of immunization and well-visits. In addition, infants who enjoy high-quality parental bonding tend to do better in school, be healthier physically, and are less likely to develop depression and behavioral disorders as young adults.
- The Congressional Budget Office (CBO) has stated that H.R. 626 is PAY-GO neutral, and that "enacting the bill would not affect direct spending or receipts in any way." This means there is no cost to taxpayers in the form of increased taxes or decreased revenues. In addition, FEPPPLA could actually save money for the federal government, thereby saving money for the American taxpayer. The Joint Economic Committee estimates that replacing an employee costs nearly three times as much as providing that employee with four weeks of paid parental leave. Paid parental leave can increase productivity by reducing turnover and absenteeism, and improving worker morale.