



Lamont-Bysiewicz Transition Policy Committee Reporting Template

Committee Name: Women

Co-Chairs: Marilyn Moore and Karen Jarmoc

Paid Family and Medical Leave

1. How do you propose the Lamont Administration should prioritize the policy goals in this area, and on what timeframe? The Administration should prioritize and pass paid family and medical leave (PFML) legislation by June 2019.

2. Which goals are achievable in the first 100 days of the Administration? In its first 100 days, the Administration should: include the start-up costs for the paid family and medical leave program in the state budget; introduce legislation; and widely promote the benefits of paid leave.

3. Which goals will require legislation to move forward? Which items can be advanced through the actions of the Administration alone? What is the fiscal impact of these legislative or executive actions? PFML requires legislation. The Women's Policy Committee and the CT Campaign for Paid Family Leave recommend and support legislation that will create an insurance program administered by CT DOL and funded by small employee payroll deductions. All workers contribute to the program and are eligible for up to 12 weeks of job protected leave to care for an ill relative, recover from an illness, or welcome a new child. Employees will receive 100% of their weekly earnings, up to a cap of \$1,000/week.

Fiscal impact: PFML will require a one-time start-up cost of \$13.6 to \$20 million, which will be paid back to the General Fund within the first year of collection of payroll deductions. Based on an Implementation Report commissioned by the CGA in 2015, the program is self-sustaining by small employee payroll deductions and does not require annual appropriation from the state budget.

4. Are there specific challenges you can identify with regard to achieving the Lamont Administration's goals, and how would you suggest to address those? Opposition to PFML claims that the program is bad for business; however, research and clear evidence from other states show that PFML policies improve worker retention, reduce turnover costs, and increase productivity. Small business concerns will need to be addressed.

Start-up costs associated with the creation of PFML has presented a significant challenge in years past. The Women's Policy Committee, as well as the CT Campaign for Paid Family Leave and national experts, recommends a one-time appropriation from the state budget to the State Department of Labor to create and administer a PFML program. Start-up costs would be reimbursed to the General Fund within one year of collection of payroll deductions. The Women's Policy Committee and CT Campaign for Paid Family Leave also support bonding the start-up costs of PFML, which was proposed last legislative session in Senate Bill No. 1: *An Act Concerning Earned Family and Medical Leave*.

Other options include a third party administrator or a public/private partnership. Nationally, no existing state PFML program is administered by a third party.

5. How will implementation of policy in this area create jobs and spur economic growth? Connecticut is

currently an outlier in our region and is surrounded by states that have passed comprehensive PFML programs. PFML makes the state more attractive to young workers and increases Connecticut's competitiveness. PFML improves women's labor force participation, attachment, and overall earnings, which benefits the economy.

6. Are there opportunities for cost savings for CT state government in the context of implementing this policy? Workers without PFML are more likely to file for bankruptcy, experience food insecurity and rely on state assistance. Research shows that access to PFML also reduces healthcare costs and nursing home usage.

7. What examples of success from other states, countries, or the private sector in this policy area should the Administration study? The Administration should look at legislation recently approved in Massachusetts and Washington, which are the first states to pass paid leave without preexisting Temporary Disability Insurance (TDI) programs, and at existing programs in California, New Jersey, Rhode Island, and New York.

8. Are there any other issues/considerations you would like to highlight with regard to this policy area? PFML is a critical racial and economic justice issue. Lack of PFML disproportionately impacts families of color, who are overrepresented in low-wage jobs and, due to racial wealth and wage gaps, have fewer resources than white families to absorb the financial impact of a personal or family medical issue. Women of color are key breadwinners as well as caregivers to their families; however, they are least likely to have access to PFML and face significant barriers to achieving economic security. PFML will improve the economic security of women and workers of color, whose earnings and contributions are critical to the wellbeing of Connecticut's larger economy.