

Congress of the United States
Washington, DC 20515

October 19, 2021

The Honorable Joseph R. Biden, Jr.
President
The White House
1600 Pennsylvania Avenue N.W.
Washington, D.C. 20500

Dear President Biden:

We write to express our support for maintaining robust paid family and medical leave in the final reconciliation package. Paid leave is a top priority for us and the workers we represent.

The need to take leave is inevitable over the course of a lifetime, whether to care for a loved one with a serious medical condition, welcome a new family member, as in the birth or adoption of a child, or to handle a personal health crisis. Without universal paid leave, as our population ages, more and more workers will find themselves forced to choose between dealing with family and health challenges and staying in the workforce. Yet, the United States is the only Organization for Economic Co-operation and Development (OECD) country that does not require paid leave for new mothers, is one of only two OECD countries that does not require paid medical leave, and is increasingly out of step with its peer countries who now offer caregiving leave.ⁱ This gap in coverage leaves families economically vulnerable and constricts the productive capacity of the U.S. economy because families lack the support to meet both their care needs and participate in the labor market.

Only 23 percent of American workers have access to *paid* family leave, and the majority of workers with access to unpaid leave can't afford to take it. This affects both economic and family outcomes. For example, a number of studies show that when cancer patients and their caregivers have access to paid leave, they have higher rates of job retention and lower rates of financial burden.ⁱⁱ Those who do have paid leave are disproportionately higher-paid workers who work for large companies.ⁱⁱⁱ During the pandemic, the Black and Latino workers who are less likely to have access to paid leave were also most likely to need time off of work due to COVID-19 symptoms, exposure, or relative caregiving.^{iv} Creating a universal paid leave program will lessen some of these racial and economic inequalities.

The flexibility to balance treatment and employment is essential for patients and caregivers. For example, multiple studies show that cancer patients and caregivers who have paid leave have higher rates of job retention and lower rates of financial burden than those who do not have access to paid leave. Research demonstrates that paid family leave helps Alzheimer's patients and their caregivers better navigate complex medical care.^v Not all patients or caregivers have access to paid family and medical leave, and without it they risk financial hardship or not getting the care they or their loved ones need.

Furthermore, we cannot ignore the economic benefits of paid leave. Enacting paid leave also means that families will continue to earn some income at the very time when they need it most – when a family is growing or a member is sick and needs medical care. Workers will be able to continue to earn a portion of their wages, allowing them to continue to meet their basic needs and pay bills before returning to work. Moreover, lack of paid leave has meant that workers lose an estimated \$22.5 billion in wages each year when that could have been used to keep a family afloat and spent in local economies.^{vi}

State-level data show that paid leave has positive impacts on business performance. Several studies have indicated that paid leave programs increase worker productivity.^{vii} Paid leave also boosts morale, which leads to higher productivity, increased company loyalty, and reduces turnover.^{viii} Because turnover costs a business 20 percent of an employee's annual salary, providing paid leave can help a business' bottom line.^{ix} In a survey of California businesses, "nearly 90%...said that the program had either a positive effect on productivity or no noticeable effect."^x California also found that although nearly all employers reported positive outcomes, overall, small- and medium- sized business reported more positive outcome than large businesses.^{xi} Small and large business in other states report similarly positive impacts of universal paid family and medical leave programs.^{xii}

Lack of paid family and medical leave has a particularly detrimental impact on women's economic security, as women are more likely than men to serve as primary caregivers and are therefore more likely to need paid time off to ensure that their children or other family members receive the medical care and attention that they need. Paid leave also increases women's labor force participation and attachment, which is a key driver of economic growth. Furthermore, when paid leave is enacted, it has been found to increase women's participation in the labor market long-term, and high labor force participation is key to boosting GDP and economic growth. The United States loses out on an estimated \$650 billion each year – 2.9% of total GDP – due to low labor force participation among women aged 25-54 caused by a lack of paid leave and other family supportive policies.^{xiii} One estimate by S&P Global found that if women's labor force participation in the United States had kept up with that of Norway's (a country with generous paid leave policies), real U.S. GDP growth would have averaged 3.1 percent from 1970-2016, rather than 2.9 percent, and the U.S. economy would be \$1.6 trillion larger than it is today.^{xiv} Passing paid family and medical leave policies now will help ensure future economic growth.

Congress has been considering proposals to enact paid family and medical leave since the 1980s. The U.S. has fallen behind other comparable nations on paid family and medical leave for far too long and the American people shouldn't be forced to wait decades more for important and necessary family supports. The enactment of universal paid family and medical leave is an investment in current and future generations of the nation's workforce. It will contribute to economic growth by reducing racial and socio-economic inequalities in our workforce, boosting families' economic security, supporting small businesses and ensuring families can participate fully in the labor market while meeting their care needs. A universal paid leave program will

help equip the U.S. economy with the infrastructure it needs for the 21st century to ensure future economic growth is strong, stable and broadly shared.

We urge your support to maintain the inclusion of a robust paid leave program in the final reconciliation package.

Sincerely,



Donald S. Beyer Jr.
Member of Congress



Rosa DeLauro
Member of Congress



Judy Chu
Member of Congress



Jimmy Gomez
Member of Congress



Ayanna Pressley
Member of Congress



Chrissy Houlahan
Member of Congress

cc: The Honorable Charles E. Schumer, Senate Majority Leader

Additional Member Signers:

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Alan Lowenthal
Eleanor Holmes Norton
Jackie Speier
Eric Swalwell
Madeleine Dean
Linda T. Sánchez
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Marilyn Strickland
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Jennifer Wexton
Bobby L. Rush
Doris Matsui
Donald M. Payne, Jr.
Andy Levin

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