

What is Paid Family and Medical Leave?



- Paid family and medical leave allows working individuals to take long-term leave from work in order to care for a newborn, a sick or injured member of the family, to treat a personal injury or illness, or to take safe leave. These programs provide partial wage replacement while protecting the employee's job and healthcare benefits.
- Paid family and medical leave is different from paid earned sick leave, which allows workers to earn short-term time off as they work to use for short-term illness, doctor visits, short-term care for a loved one and safe leave.

Access to Paid Leave is Crucial for Stability.

One-third

of people who became **seriously ill in the United States reported they lost their job or had to change jobs**. Paid medical leave will help people who become seriously ill keep their job, cover the costs of their illness and reduce employee turnover.

22.6%

of adult Michiganders provide regular care for a friend or family member with a health problem or disability. **14.7%** of these caregivers report a decline in their own mental and physical health as a result of the difficulties associated with caregiving.

44%

of individuals who take unpaid medical leave for illness or caregiving report an inability to pay for an unexpected expense of \$400 and **28% report difficulty making ends meet**.

MI-FLOC is the Solution for Michigan.

- Michigan currently does not guarantee any paid family and medical leave benefits. The proposed Michigan Family Leave Optimal Coverage (MI-FLOC) legislation seeks to change this.
- MI-FLOC would create a statewide insurance program covering all workers.

MI-FLOC would provide:



15 weeks

of paid leave for medical or caregiving needs



90%

of wages (up to the state average weekly wage)



Low-cost

coverage for employees and employers

63% of Michigan workers currently can't afford or don't have access to paid leave.

MI-FLOC would ensure that these workers have the time and resources they need to take care of themselves and loved ones.

Paid family and medical leave plays a role in...

Boosting the health of infants and caregivers

- Paid family leave has shown to reduce infant mortality.
- Paid parental leave during infancy leads to lower prenatal stress, higher rates of breastfeeding, fewer infant hospitalizations and increased parental involvement. This has a lasting effect on the health of the child.
- Mothers who receive paid leave are less likely to experience symptoms of postpartum depression and less likely to report parenting stress.

Creating stronger economic security for families

California passed the first paid family and medical leave (PFML) program in the U.S. in 2002. Since then they have seen a **10% reduction in poverty** among mothers with infants and a **4% increase in income** among households with infants.

Benefiting businesses and the economy

- 90% of employers reported a positive or a neutral effect on employee productivity, morale, and costs after the passage of paid family and medical leave.
- Employee turnover typically costs a business 24% of that worker's annual salary. Worker retention was improved by 9% among employees with low wages after the enactment of PFML in California, saving some businesses money.
- Paid leave policies increase worker retention, productivity and morale with minimal impact on operating costs. Some businesses even reported savings from lower turnover in states with paid leave policies.
- Paid leave boosts workforce participation by keeping women connected to their employer when some may have otherwise exited the labor force.
- 91% of employers reported no instances of employees abusing PFML.

Reducing racial disparities

Due to systemic racial disparities, people of color are **more likely to face discrimination in healthcare**, have less access to nutritious food, face increased exposure to pollution and experience chronic illness.



Women of color are more likely than white women to be the primary earners in a family, meaning some must choose between their caregiving and work responsibilities.

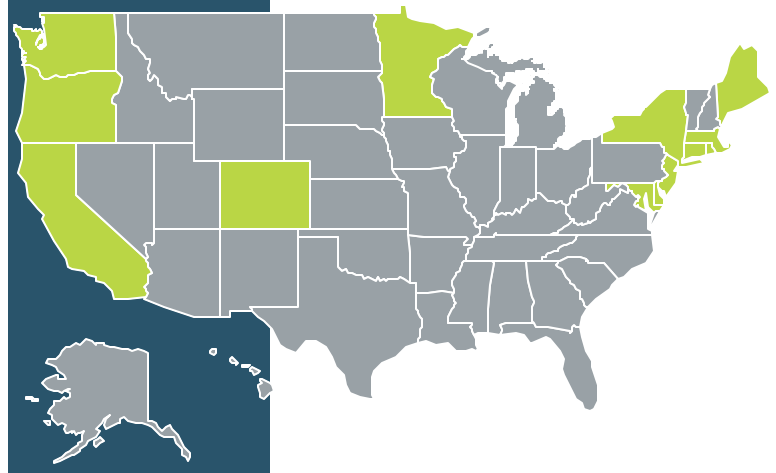
Women of color are also less likely than white women to hold jobs with family-friendly workplace policies and are overrepresented in the low-wage job market.

As a result, access to paid medical leave is especially important to these communities. There is racial disparity between who has access to paid leave—in low-paid positions, white and non-Hispanic workers are more likely to have access to leave than Black and Hispanic workers.

Other States Are Leading the Way

13 states plus the District of Columbia have already passed paid family and medical leave policies.

Michigan is falling behind.



New Research is In: The Benefits of a Paid Leave Program in Michigan are Real

How Much Will it Cost?

Based on an **actuarial analysis** commissioned by the Michigan Department of Labor and Economic Opportunity, paid family and medical leave will cost most workers less than a cup of coffee per week at its highest estimate. The cost is reasonable for small businesses as well, **with businesses paying only a few thousand dollars annually**.

Employees will pay between \$3 and \$7 per week—around the cost of a cup of coffee or a burger.

What's the Projected Impact?

The state of Michigan recently commissioned a report examining the impact of implementing a paid family and medical leave program in the state. It found...

PFML Would Benefit Working Women and Families in Michigan

- Women's labor force participation in Michigan is 10% lower than men's participation. Women with children under 5 are 20% less likely to be in the labor force.
- Simultaneously, in Michigan, women who do work are more likely to have multiple jobs or work part-time all while earning less than men.
- Paid family and medical leave increases labor force attachment and reduces turnover, benefiting both working families and businesses. It is projected that when women's labor force participation increases, it dramatically increases economic activity in the region. This means paid family and medical leave would be a boon to Michigan's economy over time.



PFML Would Grow the State Economy

- Over the past four years, Michigan's economy has seen significant growth in workforce participation. However, most states that have passed state-mandated paid family leave policies still grew faster than Michigan.
- In fact, the United States has lower workforce participation among people between ages 25-64 than other nations with stronger social safety nets with paid family and medical leave programs.
- As Michigan's population ages and the workforce diversifies, more working Michiganders are taking on caregiving responsibilities. When families find themselves juggling a career and caregiving responsibilities without leave, they often are forced to choose between caring for a loved one and keeping their job.
- Paid family and medical leave can increase workforce participation while helping Michigan families care for loved ones experiencing serious medical events and chronic illness.



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