



7521 Main Street, Suite 103
Omaha, Nebraska 68127

(402) 597-3100 P
(402) 597-2705 F

www.voicesforchildren.com

BOARD OF DIRECTORS

Lloyd Meyer, MArch
President

Tim Hron, MA, LIMHP
Vice President

Donna Hammack, MSED
Secretary

Steve Mitchell, MBA
Treasurer

Eric Nelson, MA
Immediate Past President

Michael Beverly Jr., MBA
Amy Boesen
Lorraine Chang, JD
Yolanda Chavez Nuncio, MEd
Jeremy Fitzpatrick, JD
Bobbi Hawk, MD
Eric Johnson
Daniel Padilla
Michael Socha
Katie Weitz, PhD

Aubrey Mancuso, MSW
Executive Director

February 6, 2017

To: Senator Albrecht and Members of the Business and Labor Committee
From: Kaitlin Reece, Policy Coordinator for Economic Stability and Health
RE: Support for LB 305

A new baby. A family member returning from military service with a critical injury. A car accident. A parent starting to show signs of Alzheimer's. A child diagnosed with Leukemia. These are all common and significant moments for a family that can create challenges for family well-being. Under our current law, these moments can also be a financial crisis. New data available at the state level reveal that about half of working parents in Nebraska are ineligible for even unpaid leave under the federal Family and Medical Leave Act (FMLA). For these parents, they are not guaranteed that their job will still be there when they need time off to care for their family. Even when they are entitled to leave, only 41% of Nebraska parents can afford to take it. **This leaves the majority – about 60% -- of Nebraska parents unable to afford leave.¹ This is especially critical in a state like ours where the vast majority of kids – 77.9% -- have all available parents in the workforce.²**

This is a problem that cuts against some of the most fundamental things that we value as Nebraskans -- an honest day's work, ensuring the best possible start in life for our kids, and being there to care for a family member when they need it. Paid family leave acknowledges and addresses a reality that directly impacts every business and should be planned for strategically, uniformly and deliberately.

The lack of paid leave comes at a cost to workers, families and businesses. Workers give up income they need to pay bills, buy groceries, and support their families. Workers, and especially women, lose or leave their jobs and put their long-term economic security at risk and increase their reliance on public assistance programs. Children lose out on better health outcomes right from the start by having their primary caregivers absent during a critical developmental time. We also know that sick children recover faster when parents can be by their side. Businesses can incur costs to replace talented and experienced employees and have their ability to compete for workers in a low-unemployment state like Nebraska limited.

In an ideal world, employers would offer this leave on a voluntary basis, but over 20 years after the passage of the federal Family and Medical Leave Act (FMLA), that just hasn't happened. **Only 12 percent of employees nationwide have access to paid family leave and this access is disproportionately skewed toward higher wage earners.** Only 5% of workers in the bottom 25% of wage earners have access to paid family leave compared to the 22% of workers in the top 10% of wage earners.³ A

¹ Diversitydatakids.org (2011-2014)

² Kids Count in Nebraska Report (2015)

³ Gault, Barbara et al. (2014). *Paid Parental Leave in the United States: What the data tell us about access, usage, and economic and health benefits*, 23. Institute for Women's Policy Research.

good example of this was in 2015 when Netflix announced some workers could take paid leave for up to a year following the birth or adoption of a child. Those who received this very generous benefit were salaried employees while the lower wage workers working in the distribution centers and could least afford to take unpaid leave, were not covered by the policy.⁴

What's more, in the twenty-three years since the passage of the federal law, the paid maternity rate in the United States has barely budged: 43% to 49.7% in 2015.⁵ At this rate and without any interventions like LB 305, it will take another 200 years before all American women have access to paid maternity leave.

Nebraska can do better than this on behalf of our kids and families. A state paid family leave program would level the playing field, provide a way to retain and attract workers, and provide a systemic solution to the current patchwork system that isn't working for families or businesses.

We respectfully urge the committee to advance LB 305 to ensure that no worker ever again has to choose between the job they need and the family they love. Thank you.

⁴ "Netflix Still Facing Questions Over Its New Parental Leave Policy." NPR. Available online at <http://www.npr.org/sections/thetwo-way/2015/08/10/431273033/netflix-still-facing-questions-over-its-new-parental-leave-policy>

⁵ Zagorsky, Jay. "Paid Family Leave Policies are expanding." The Salon. Available online at http://www.salon.com/2017/01/29/paid-family-leave-policies-are-expanding-but-are-new-mothers-actually-taking-time-off_partner/