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January 30, 2023

To: Chairperson Riepe and Members of the Business and Labor Committee From: Anahí Salazar, Policy Coordinator for Voices for Children in Nebraska RE: Support for LB 57- Paid Family Leave and Medical Leave Insurance Act

Thank you, Chairperson Riepe and members of the Business and Labor Committee. My name is Anahí Salazar and today I am representing Voices for Children in Nebraska in support of LB 57. Nebraskans are hardworking and committed to building better futures for themselves and their families. We also have a strong value of caregiving: taking care of our children, taking care of our loved ones as they age. It is important to consider the relationship between caregiving and workforce participation in order to ensure that during life's most treasured, stressful, or critical moments, Nebraskans don't have to choose between family and secure employment.

Paid leave helps families build secure relationships with their babies that are so important to children's long-term learning and success. Allowing birthing parents to stay home can have a significant impact on Nebraska's infant mortality rate which increased from 2019 to 5.6 per 1,000 births in 2020¹. Since the enactment of paid leave policies in other states, there is ample evidence that paid family leave contributes to lower rates of infant mortality and decreases post-neonatal mortality.² Paid leave allows parents to stay home and care for their child, which is imperative for both the baby and birthing persons health and well-being. Adequate time off after birth also results in longer periods of breastfeeding.³ The benefits also accrue for children who join families through foster care or adoption. Paid leave ensures families have time to care for new children and seamlessly integrate them into family, without sacrificing longterm economic security.

Juliet Summers, J.D.

<sup>3</sup> *Id*.

<sup>1 2021</sup> Kidst Countein Nebraska Report. Voices for Children, 2022. Available at:

<sup>&</sup>lt;sup>2</sup> We Know Paid Family Leave Saves Infant Lives – So When Will Policy Makers Catch Up? Children's Hospital of Philadelphia Policy Lab, December 2020. Available at: <a href="https://policylab.chop.edu/blog/we-know-paid-family-leave-saves-infant-lives-so-when-will-policymakers-catch">https://policylab.chop.edu/blog/we-know-paid-family-leave-saves-infant-lives-so-when-will-policymakers-catch</a> . See also: Diana Montoya-Williams. The impact of paid family leave in the United States on birth outcomes and mortality in the first year of life. Health Services Research, April 2020. Available at: <a href="https://onlinelibrary.wiley.com/doi/10.1111/1475-6773.13288">https://onlinelibrary.wiley.com/doi/10.1111/1475-6773.13288</a>

## Children and families who most need paid leave are unable to access it.

Currently, families across Nebraska have difficult decisions to make. Do they take care of their newborns, new children, sick children, ill family members, even themselves, or do they go back to work because they need the money for their basic and or medical needs? Only about 40% of families in Nebraska can afford to take unpaid leave under Family and Medical Leave Act (FMLA).<sup>4</sup> Access to leave is highly determined by income and those in the lowest wage jobs do not have the financial capacity to take the needed time from work. The estimated share of quarterly family income lost for a full-year of working after taking 12 week of FMLA can has greatly impacted Nebraska families. In Nebraska, women were estimated to lose 14% of their quarterly wage after taking partially paid leave and almost 50% wage loss after taking unpaid leave.<sup>5</sup>

**Investing in families is an investment in Nebraska's workforce.** The increase in single-parent households has resulted in a rise in child care needs, while a rapidly-aging population creates medical and caregiving needs. Employee turnover, the loss of institutional knowledge, absenteeism and presenteeism, and temporary hiring are all already affecting businesses' bottom line. A recent survey found that 1 in 3 workers have left at least one job due to caregiving responsibilities, and the most experienced and highest-paid workers were most likely to be affected. <sup>6</sup>

Paid family leave policies do not adversely impact business productivity or profitability. Recent studies have shown that paid leave saves employers from needing to hire replacements and reducing turnover costs – in fact, improving job continuity.<sup>7</sup>

Family values are at the heart of Nebraska values. LB 57 would ensure that all Nebraskans can be there for the most important moments in our families' lives, and that our children will have the best start to life. Thank you Senator Machaela Cavanaugh for your leadership in bringing this important issue. We respectfully urge the committee to advance LB 57.

<sup>&</sup>lt;sup>4</sup> Working adults who are eligible and can afford FMLA unpaid leave (percent) by race/ethnicity. 2022. Available at: <a href="https://data.diversitydatakids.org/dataset/fmla\_a\_eligaff\_re\_p-working-adults-who-are-eligible-and-can-afford-fmla-unpaid-leave--percent--by-ra">https://data.diversitydatakids.org/dataset/fmla\_a\_eligaff\_re\_p-working-adults-who-are-eligible-and-can-afford-fmla-unpaid-leave--percent--by-ra</a>? external=True

<sup>&</sup>lt;sup>5</sup> Wage loss as a percent of family income after paid or unpaid FML (percent) by gender. 2021. Available at: <a href="https://data.diversitydatakids.org/dataset/pfml\_gen\_p-wage-loss-as-a-percent-of-family-income-after-paid-or-unpaid-fml-percent-by-gender">https://data.diversitydatakids.org/dataset/pfml\_gen\_p-wage-loss-as-a-percent-of-family-income-after-paid-or-unpaid-fml-percent-by-gender</a>? external=True

<sup>&</sup>lt;sup>6</sup> Joseph B. Fuller and Manjari Raman. *The Caring Company*. Managing the Future of Work Project, Harvard Business School, 2019. Available at: <a href="https://www.hbs.edu/managing-the-future-of-work/Documents/The%20Caring%20Company%20-%2001.17.19.pdf">https://www.hbs.edu/managing-the-future-of-work/Documents/The%20Caring%20Company%20-%2001.17.19.pdf</a>.

<sup>7</sup> *Id*.