

# Appendix A

## Policy Context of Paid Family Leave

**Background on PFL.** Paid Family Leave is related to distinct state and federal policies addressing time off from work for medical and family reasons, in particular state temporary disability insurance (TDI) and the 1993 federal Family and Medical Leave Act (FMLA). The four states that have implemented PFL programs to date (California, New Jersey, New York, and Rhode Island) also adopted state-level TDI programs in the 1940s to provide partial wage replacement to certain workers facing short-term injury or illness unconnected to work. Hawaii and Puerto Rico followed later. Passage of the federal Pregnancy Discrimination Act in 1978 required entities that offered TDI to cover the effects of pregnancy and childbirth consistent with their coverage of other “disabilities” (U.S. Equal Employment Opportunity Commission, 2008). Therefore, in the three study states (California, New Jersey, and Rhode Island) PFL is in addition to—and typically piggybacks on—about six to 10 weeks of leave under state TDI programs for disability due to pregnancy and childbirth.

Through adoption of PFL, states have also expanded on the 1993 federal FMLA by offering *paid* leave. The FMLA established a federal entitlement providing job protection for covered workers when taking unpaid leave around childbirth, for other family caregiving, and for workers’ own health needs. The federal law requires workers to have at least one-year’s tenure with their current employer, part-time or more, and applies to those with an employer that has at least 50 employees in a 75-mile radius. Due to its eligibility requirements, the FMLA is estimated to cover 59 percent of U.S. private sector workers overall (Klerman, et al. 2013) and a third or fewer of lower income workers (Joshi, et al. 2016). Several states have also enacted unpaid leave programs that typically provide broader coverage than FMLA. (See Gault, Hartman, Hegewisch, Milli, and Reichlin 2014; NPWF 2019; Rossin-Slater 2017; and Winston 2014 for overviews of these programs). Of the three study states, only Rhode Island’s PFL policy provides job protection while on leave, though workers in other states taking PFL who are eligible for FMLA would have protection under that law.

State and federal policy action related to PFL has accelerated in the past several years. Three additional jurisdictions, Massachusetts, the District of Columbia, and Washington, have enacted PFL programs, but they will not be in effect until 2020 or 2021. They will be the first to implement PFL without the pre-existing infrastructure of TDI programs. Other states are considering enactment as of winter 2019.

Further, federal lawmakers in both political parties have introduced PFL proposals that use varying approaches. These include The Family and Medical Insurance Leave Act (FAMILY Act), which was introduced multiple times by Congresswoman Rosa DeLauro (D-CT) and Senator Kirsten Gillebrand (D-NY), most recently in February 2019. It would provide about two-thirds wage replacement for 12 weeks of paid leave for childbirth and care of a new child, and other individual or family health issues (H.R. 1185/S. 463). Introduced in 2018 by Senator Marco Rubio (R-FL), the Economic Security for New Parents Act (S. 3345) would allow parents to draw on their Social Security benefits to fund parental. In 2019, Senators Joni Ernst (R-IA) and Mike Lee (R-UT) proposed the CRADLE Act, which would take a similar approach, allowing use of Social Security benefits for PFL with delay of benefits at old age. Finally, President Donald Trump’s past three fiscal year budgets have included paid parental leave proposals, building on the federal-state Unemployment Insurance system.

**State PFL Policies.** The study states—California (2004), New Jersey (2009), and Rhode Island (2014)—are the longest established U.S. programs. They shared policy similarities at the time of the study, but also differed in a few important ways. Each state program had a different name

and was adopted at a different time. Table A-1 highlights key provisions of each of the programs. For more detailed information on these and other PFL programs, see the National Partnership for Women and Families (2019). We should also note that California and New Jersey adopted expansions to their PFL programs, effective 2020.

The study states had varying thresholds for prior earnings during a base period of about a year in order to be eligible for PFL, as of spring 2018, the time of data collection. California was the easiest state for low-income women to qualify, with only \$300 in prior wages required for PFL eligibility. In contrast, New Jersey required a minimum of about \$3400 and Rhode Island about \$4000. While these thresholds seem relatively low, they appear to be enough to exclude some women with intermittent work histories who tend disproportionately to be low income.

Rhode Island differed from the other two states by offering only four weeks of leave, but at the same time protecting workers' jobs while they took leave. In California and New Jersey, mothers could be covered by the federal FMLA or a parallel state law, which protect some mothers' jobs. Due to its eligibility requirements, however, the FMLA leaves uncovered a disproportionate number of lower income workers, as noted above.

**Table A-1. State PFL Program Provisions (Spring 2018)**

State Program	Minimum prior wages for eligibility	Benefit length	Wage replacement rate up to cap	Job protection	Year implemented
CA Paid Family Leave	\$300	6 weeks	60 to 70%*	No (unless covered by FMLA, other state law)	2004
NJ Family Leave Insurance**	\$3380	6 weeks	66%	No (unless covered by FMLA, other state law)	2009
RI Temporary Caregivers Insurance	\$4040	4 weeks	60%	Yes	2014
	PFL is in addition to mothers' access to state temporary disability insurance (TDI). No firm size or job tenure requirements (unlike FMLA). Employee must pay into state TDI fund through payroll taxes.				

\*California made changes to its PFL program effective January 2018, raising the wage replacement rate up to a maximum of 70 percent for low-income parents and eliminating a one-week unpaid waiting period. Most of our mothers took PFL under the old system and but some did under the new. \*\* New Jersey enacted expansions to its PFL program in February 2019 to be effective July 2020, including an increase to 12 weeks leave, job protection for certain employees, an increased wage replacement rate up to a maximum of 85 percent, among other provisions.

There were also important similarities among the three state programs. All were built on the states' pre-existing state TDI programs, which provide women with partially subsidized time off from work before and immediately after birth for reasons of disability. So the four to six weeks of PFL bonding time among the study states typically came after six to 10 weeks of TDI leave at similar rates of pay, if the mothers took all the leave for which they qualified.

These three PFL programs are funded by payroll tax contributions from employees that employers make into each state's disability insurance fund, reflecting PFL's status as a social

insurance program. Employers do not make a financial contribution to the programs in the three study states.

## Study Methods

The study used qualitative methods, specifically focus groups supplemented by individual semi-structured interviews, and a short demographic questionnaire that all study participants completed. The research fieldwork team conducted the focus groups and interviews, and a preliminary analysis. Other research team members coded and analyzed the transcripts and demographic information, and developed study products.

Most of the study respondents were from California where the PFL program has been in effect the longest and has the largest enrollment. The study team conducted 11 focus groups, supplemented by 21 interviews. This analysis includes the perspectives of 75 participants—65 in California, eight in New Jersey, and two in Rhode Island. Several women were excluded from the analysis because it became clear once they participated in the discussions that they had, in fact, not participated in PFL but rather just TDI, or they were ineligible for the study in some other way (despite their responses to the screener). This left us with a total of 75 participants.

**Fieldwork.** The fieldwork team collaborated with nonprofit social service organizations to recruit a convenience sample of participants. Recruitment partners included multi-service family resource centers; childcare centers; home visiting programs; Women, Infants and Children (WIC) programs; and other community-based organizations that provided direct services to lower-income families. The researchers also distributed recruitment materials to additional organizations, posted focus group invitations on mothers' listservs, and posted an invitation on the Rhode Island PFL agency website. Potential participants were informed that taking part in the focus groups had no bearing on any services they received. In addition, they were recruited directly through Facebook, Craigslist, and other online event websites. Participants received a \$40 incentive in the form of a gift card to a supermarket or big box store. Study protocols were reviewed by the fieldwork team's Institutional Review Board, and received clearance under the Paperwork Reduction Act from the federal Office of Management and Budget.

We collected data between February and May 2018, conducting focus groups and interviews in English and in Spanish. The discussions were translated to English where needed for transcription. Focus groups were held at the recruitment partners' offices (community organizations with which many mothers had pre-existing relationships), and in the fieldwork team's offices. Interviews were conducted in person and by telephone. Mothers selected a "fake name" at the start of the focus groups or interviews and used this pseudonym for the discussion and to identify their demographic forms. This protected their privacy but allowed us to link data from the forms to their comments. All study products also used the women's pseudonyms. The focus groups lasted about 90 minutes, with 60 to 75 minutes for discussion. Interviews (in person and by telephone) lasted about a half hour.

**Analysis.** Researchers formally coded and analyzed the transcripts and demographic information and developed the study products, with review by the fieldwork team. The research team used an initial codebook based on the research questions and discussion protocols to code the transcripts, adding codes as unanticipated topics arose and cutting or condensing them if topics were not found in the data. Two team members conducted the coding. The first 10 transcripts were double-coded with discussion and reconciliation every two to three transcripts in order to assess inter-coder reliability. The remainder were single-coded, but crosschecked every three transcripts. The data were collated by code. Emerging themes, caveats and counter-themes, illustrative quotes, and documentation of evidence were recorded in a master theme table. Themes arising from the qualitative data were compared to—and synthesized with—the

data collected from participant demographic forms. From these materials, we developed annotated outlines for study products.

When describing the magnitude of study findings, we are sometimes deliberately not specific. With the focus group and semi-structured interview protocols, we did not ask each question of each mother, in exactly the same way, nor did each mother respond to each question asked. Offering more precise estimates for findings could give the misleading impression that all respondents were asked exactly the same question or that each responded to each question asked, as would be the case for a survey. Instead, we attempt to indicate the magnitude of a finding in more general terms, using language such as several, some, many, or most (in ascending order of predominance in the study findings). These descriptors are, by necessity, imprecise. Where precise statistics are offered, as a rule the data were collected with the demographic forms, which gave us generally consistent—if limited—information for all study participants.

The mothers in the sample were not representative of all lower income new mothers in their states or in the country as a whole, nor of all lower income women who are eligible for or used PFL. Because the study focused on lower income mothers receiving PFL, it did not provide the perspectives of mothers who did not take it for some reason. For example, they may not have been able to afford the reduced wage replacement that PFL provides, or might not have known about the program or been able to gain access to it. However, our conversations with the mothers who participated in the study allowed us to learn in-depth about the factors that led them to return to work and to their employers after childbirth, or to leave their jobs and the labor force. Further, these discussions helped us understand the role PFL played in helping mothers participating in the study remain attached to work.

## Study Sample Characteristics

Broad criteria for the mothers to be included in the study were use of their state's PFL program for childbirth and bonding (currently or in the prior two years), a child two or under, and a household income below the area household median for the county in which they lived. We also sought ethnic diversity, and a mix of urban, suburban, and at least some rural participants.

Consistent with study criteria, all mothers had household incomes below the median for their area. Because the cost of living varied substantially across the locations in the study, we did not use the federal poverty threshold because it generally does not differ by geographic area. For example, living costs and salaries are much higher in San Francisco and San Jose, California, two sites in the study, than they are in East Orange, New Jersey, another study site.

Table A-2 provides additional detail about the characteristics of the mothers who made up the study sample. These data come from the demographic questionnaires study participants completed. As noted above, the data reflect characteristics of study participants and are not representative of all women using PFL. As the table indicates, 69 percent had incomes under \$50,000 (38 percent at \$25,000 or less and 31 percent between \$25,000 and \$50,000). Seventy percent lived with their child's father; 30 percent were single parents. Mothers of all major race-ethnicities participated in the study (38 percent white, 22 percent black, 12 percent Asian, 5 percent Native American or Pacific Islander, 23 percent declined to specify). The majority (57 percent) identified as Hispanic—consistent with the focus on lower income mothers and disproportionate presence of Californians in the study. Thirty-five percent were first-time mothers.

The majority of the 75 mothers in the analysis used all the weeks of PFL available to them, in addition to TDI. They typically used a total of 10 to 14 weeks of post-birth leave, though several took longer leaves, and some shorter.

**Table A-2: Participant Demographic Summary<sup>i</sup>**

<b>Demographic Variable</b>	<b>CA</b>	<b>NJ</b>	<b>RI</b>	<b>Total</b>
<i>Age</i>				
20-29	24	2	-	26 (35%)
30-39	40	5	1	46 (62%)
40+	1	-	1	2 (3%)
<i>Number of Children</i>				
1	23	3	-	26 (35%)
2-3	32	3	1	36 (49%)
4-5	10	1	1	12 (16%)
<i>Age of Youngest Child</i>				
<3 months	3	-	1	4 (5%)
3-5 months	18	3	1	22 (30%)
6-8 months	10	2	-	12 (16%)
9-12 months	22	2	-	24 (32%)
>12 months	12	-	-	12 (16%)
<i>Child's Father Lives at Home</i>				
Yes	46	5	1	52 (70%)
No	19	2	1	22 (30%)
<i>Ethnicity</i>				
Hispanic	40	1	1	42 (57%)
Not Hispanic	25	6	1	32 (43%)
<i>Race</i>				
Asian	9	-	-	9 (12%)
Black or African American	9	7	-	16 (22%)
White	27	-	1	28 (38%)
American Indian/Alaska Native	3	-	-	3 (4%)
Native Hawaiian/Other Pacific Islander	1	-	-	1 (1%)
Blank	16	-	1	17 (23%)
<i>Income</i>				
<\$25,000	25	2	1	28 (38%)
\$25,000-\$50,000	21	2	-	23 (31%)
\$50,000-\$75,000	14	3	1	18 (24%)
>\$75,000 <sup>ii</sup>	5	-	-	5 (7%)

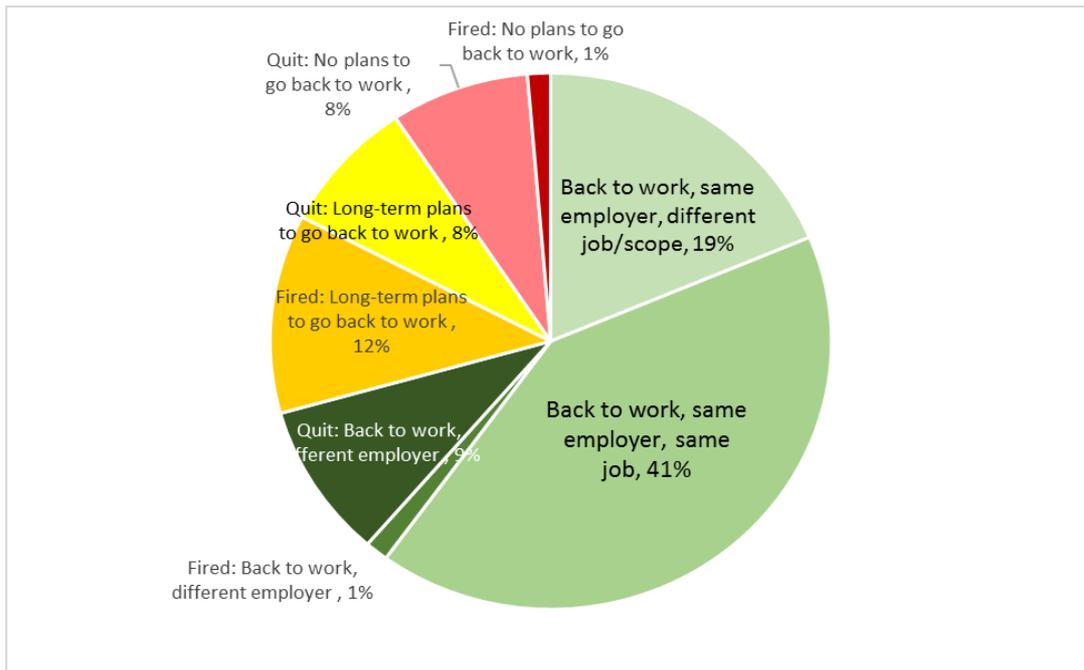
Table A-3 provides additional information about the mothers' jobs prior to childbirth. The mothers in the study held a range of jobs prior to childbirth, including retail, administrative, health care, childcare, food service, social services, customer service, and agricultural labor. Several said they worked for staffing agencies rather than directly for employers. Some worked multiple jobs, or combined school and work. A few worked seasonally.

**Table A-3. Participants' Type of Work Prior to Childbirth**

Sector or Industry	Number of Women
Administrative	12
Retail	9
Health Care	9
Social Services	7
Education and Child Care	7
Food Service	7
Customer Service	5
Technology and Business	3
Agriculture	3
Government	3
Finance	3
Real Estate and Housing	3
Beauty and Manufacturing	2
Non-profit	2
<b>Total</b>	<b>75</b>

Finally, Figure A-1 summarizes mothers' work status following childbirth and at the time of the study. About 70 percent of the mothers returned to work after childbirth. Sixty percent of the total returned to their pre-birth employer (or 87 percent of those who returned to work), while the remainder moved to a new employer. Almost 30 percent left work around the time of childbirth, several before but most after. About 13 percent said they were fired or laid off and 16 percent quit.<sup>iii</sup>

**Figure A-1. Participants' Work Status After Childbirth**



## References

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<sup>i</sup> One interviewee from New Jersey ended the interview before giving her demographic information. We were unable to collect her data despite multiple follow-up attempts.

<sup>ii</sup> Some participants lived in high cost-of-living areas such as San Francisco and San Jose. Therefore, a small number of them had household incomes that seem relatively high but are nonetheless below the area median household income.

<sup>iii</sup> This does not add up to 100 percent because of rounding.