

# Paid Leave



## Thriving Families, Thriving Workforce, Thriving Iowa

Paid leave is something we all need and can benefit from. It allows us to care for our loved ones during critical times, including our babies during the first few weeks of life and our aging parents as they need more support. It allows us to stay home when a child is sick or recover from a surgery, without the risk of losing our job.

Whatever the situation, paid leave allows us to be present for ourselves and our families, while maintaining economic stability. When we have the freedom to make choices that support our families' health and well-being, our state benefits from healthier kids, a robust workforce, and flourishing communities.

## Iowa's Pro-Family Policy Opportunity

Lawmakers have several options to advance Iowans' access to paid leave, including:



Provide tax credits to businesses who offer paid sick and family leave.



Offer parental leave benefits to primary and secondary caregivers and foster parents who work for the state.

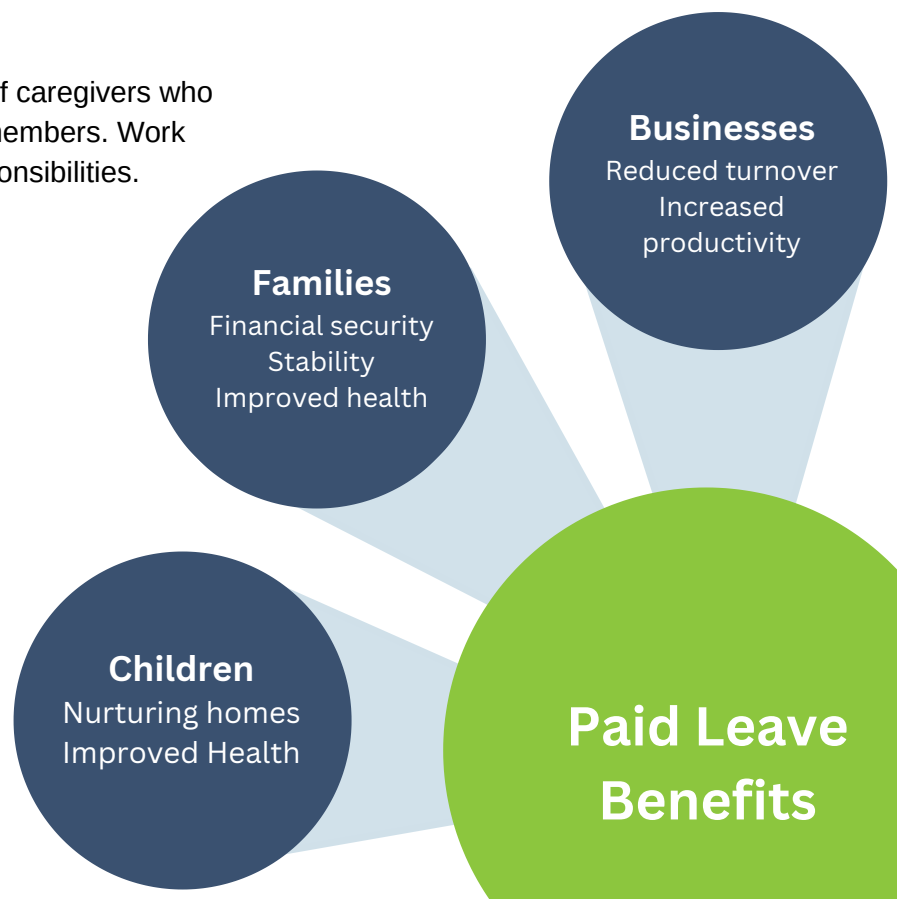


Require businesses that offer paid leave for birthing parents to also offer the same benefits to parents who adopt or foster children.

## Paid Leave is necessary to support Iowa's workforce.

Today's workforce encompasses a greater share of caregivers who are raising children and supporting elderly family members. Work policies must allow flexibility to manage these responsibilities.

- Most Iowa households with children, **79%, have all parents working**. With many jobs in Iowa paying less than a living wage, families need all caregivers working to meet a basic household budget and businesses need a growing workforce to keep up with demands.
- **4 out of 5 Iowa workers** (1.27 million) do not have access to paid leave through their jobs. Even unpaid leave under the federal Family and Medical Leave Act is inaccessible for 3 out of 5 working Iowans
- Iowa would have **3,000 additional workers** if women participated in the labor force at the same rate as women in countries with paid leave. This would lead to \$132.3 million more in wages earned. [1]



# Paid Leave has a ripple impact.

*"Now, more than ever, providing support for working parents with young children is key to attracting and retaining high-quality employees."*

- US Chamber of Commerce Foundation [2]

Paid leave is effective in allowing employees to focus on their families' needs, while remaining committed to their jobs. Paid leave supports:

- **Children:** Fosters home environments that promote healthy development and reduces the risk of child abuse and neglect as caregivers have better mental health and can prioritize nurturing relationships with their children. Improves health as children are more likely to see the doctor on schedule.
- **Families:** Increases economic security, reducing the need for public support. May decrease the risk of mothers and children being hospitalized following childbirth, with greater ability to seek prompt medical care if a need arises.
- **Employees:** Reduces stress and improves health as they can seek care for themselves and provide caregiving support for their families.
- **Businesses:** Helps attract and retain workers, increases productivity, and reduces health care costs. Supports small business growth with greater ability to offer similar benefits as larger organizations. Increases the likelihood of mothers returning to prebirth employer.
- **State:** Reduces costs on state systems, with less lowans living in poverty and having to access public assistance. Reduces health care costs as lowans seek care before a crisis. Boosts the economy as businesses have the workforce to grow and compete on a global scale.

## Bipartisan Support

At least three-quarters of Democrats and Republicans say mothers should have access to paid maternity leave and that workers should be able to take paid leave to deal with their own serious health condition. [6]

*"As a father of four and now a grandfather of two, I know the necessity of family time with a newborn or adopted child. And I've witnessed the benefits of paid family leave as a high school principal and then as CEO of two different nonprofits. Healthy families create healthier and happier employees."*

– Bob Vander Plaats, from "Opinion: A bipartisan opportunity to bless families and children," Des Moines Register, December 11, 2022

## High-Impact Solution



One in four mothers return to work within two weeks postpartum. The three months postpartum period is when many pregnancy-related deaths and complications arise. [3]



Turnover costs are estimated to average one-fifth of an employee's annual salary. When workers don't have access to paid leave, they are more likely to have to leave their jobs.



Women who take paid leave are 39% less likely to receive public assistance and 40% less likely to receive food stamps in the year following a child's birth when compared with those who do not take any leave. [4]



States with paid maternity leave saw decreases in the use of Temporary Assistance for Needy Families (TANF) and reduced total amount of benefits received by families. [5]

# Notes and Sources

1. Workers are considered unable to take unpaid FMLA leave because they are either ineligible based on employer size or job tenure requirements or because 32.3 days of lost wages from unpaid leave, the average length of an FMLA leave, would result in their family income dropping to or below 200 percent of the federal poverty level.
2. [https://www.uschamberfoundation.org/sites/default/files/2019\\_BuildingBridges\\_PrintableFinal.pdf](https://www.uschamberfoundation.org/sites/default/files/2019_BuildingBridges_PrintableFinal.pdf)
3. Dagher RK, Linares DE. A Critical Review on the Complex Interplay between Social Determinants of Health and Maternal and Infant Mortality. *Children (Basel)*. 2022 Mar 10;9(3):394. doi: 10.3390/children9030394. PMID: 35327766; PMCID: PMC8947729.
4. <https://www.rutgers.edu/news/rutgers-study-finds-paid-family-leave-leads-positive-economic-outcomes>
5. [https://pn3policy.org/wp-content/uploads/2022/09/ER.03C.1022\\_PaidFamilyLeave.pdf](https://pn3policy.org/wp-content/uploads/2022/09/ER.03C.1022_PaidFamilyLeave.pdf)
6. <https://www.pewresearch.org/social-trends/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/>