

**Testimony of Cary Brown, Executive Director, Vermont Commission on Women
Vermont House Committee on General and Housing
February 2, 2023**

RE: H.66, An act relating to paid family and medical leave insurance

Good afternoon. My name is Cary Brown and I am the Executive Director of the Vermont Commission on Women (VCW). We are an independent state agency working to advance rights and opportunities for women and girls in Vermont. In that capacity we:

- act as advisor and information source for legislative and executive branches and other policy makers on issues affecting women
- serve as an educational resource by conducting research, producing publications, and coordinating events
- bring together diverse groups and engage in partnerships to consider issues of gender equity
- provide information and referrals to the public on matters related to women and families

VCW has been working in the interests of women's economic security and in support of families' ability to strike a working balance between the demands of the workplace and home since its inception, and has long recognized the need for paid family and medical leave. Our official policy statement, which has been in place since 2001 (the first year we began recording our current set of policy statements) reads as follows:

The Vermont Commission on Women supports legislation, policies, programs, and initiatives that promote paid parental, family, and medical leave.

In furtherance of this goal, we applied for and received a grant from the US Department of Labor Women's Bureau in order to conduct a [paid family and medical leave feasibility study](#). This is the 2016 report that you have been hearing so much about in the conversations about modeling usage and cost. This study contains quite a lot of additional information about the feasibility of a program in Vermont, including cost-benefit analysis, cost savings to Vermonters and to the state, public opinions, a survey of business owners, a comparison of public versus private administration, research findings on benefits of paid family and medical leave, and much more.

GENDER EQUITY

The reasons why the Commission on Women has been so concerned with paid family and medical leave are probably obvious, in that our culture persists in assigning caregiving responsibilities primarily to women.

But if we step back and look at a bigger picture, we see that our economy is absolutely dependent on unpaid and underpaid labor, and has been since the beginning. Our country was built on a foundation of labor by enslaved people, and even after that practice was made illegal people found creative ways to continue the tradition, whether by indentured servitude, child labor, exploitation of immigrants, and company towns for coal, lumber, and other industries.

And women have historically been the ones doing the unpaid caregiving and other home-based work that keeps everything else running. They've taken care of children, the elderly, the sick, and the labor of managing a household, all without receiving a paycheck. This tradition of women's work being unpaid has carried over into the workforce, where we see that the same work women have historically done in the home is grossly undervalued financially when it's done outside of the home, whereas the jobs traditionally done by men are compensated at much higher rates.

The effects of this on women's financial well-being is profound. In Vermont, this means that women are more likely to work part-time – 21% of women work part-time compared to 9% of men.¹ It also means that women are a disproportionate share of Vermonters earning the minimum wage or less, and are more likely to live in poverty.² Women of color are much more likely to live in poverty in Vermont than white women,³ as the link between exploitation of people based on race and gender is strong.

And of course, during the height of the COVID pandemic, more than four times as many women as men simply left the workforce altogether. This was largely due to increased caregiving responsibilities, and helps to illustrate the reality that this work is already being paid for, but it's being paid for by people who are forgoing the income from wages in order to do it.

This is a structural inequity that is built into our economy, but it doesn't need to continue. A strong paid family and medical leave insurance program is one tool we can use to shift the dynamics towards valuing caregiving and supporting people of any gender to do it.

Key to this bill is the fact that it covers parental leave, and not maternity and paternity leave. Fathers are already less likely to take this leave, but policies that differentiate based on gender make such disparities worse. Other countries that have granted distinct leave to fathers and mothers have begun changing to "use it or lose it" policies, in the hopes of encouraging fathers to take the leave. It's a strength of this bill that it starts from a point of assuming that parents of any gender will be taking leave to care for a new child.

The expectation that both parents will take parental leave in many instances is why the number of projected leaves in the model you saw from JFO is higher than the number of births projected – each birth may have more than one parent taking leave. To support both parents taking this leave it is also important to maintain couples' ability to each take the full 12 weeks, even when they work for the same employer. If a couple made up of a man and a woman have to divide 12 weeks between them, it's an almost sure thing that the woman will take more, if not all of it, and this is a disservice to male parents, as well as to children.

¹ [CTS WomenWorkWagesinVT 2019.pdf \(vermont.gov\)](#)

² [CTS WomenWorkWagesinVT 2019.pdf \(vermont.gov\)](#)

³ [CTS WomenWorkWagesinVT 2019.pdf \(vermont.gov\)](#)

Paid leave helps keep women attached to the workforce. New mothers who have access to paid family and medical leave work more hours, and are more likely to return to their same employer when they come back.⁴ Women who use paid family leave and return to work after they have a baby are 39% less likely to depend on public assistance in the year following the child's birth compared to those who don't take any leave.⁵

LESSONS LEARNED FROM OTHER STATES - ESSENTIAL PROGRAM ELEMENTS

Universal coverage

Pretty much everyone can expect to need some time off work to care for themselves or a loved one at some point in their lives. Those who work for employers who offer paid leave now have won "the boss lottery," as many like to say.

Small businesses that can't afford to offer leave themselves are in a better position to compete with larger businesses for employees. The 2016 study showed that employees of small employers would see the greatest increase in leaves taken under such a program.⁶

Vermont is a more attractive place to those considering moving here. We have heard more than once from people calling us looking for help and information that they were unpleasantly surprised to find out that there was no paid parental leave here – they had assumed that Vermont would be a place that would provide it, and they were disappointed and frustrated to find that they would not have access to this benefit.

High level of wage replacement

If it's too low, people of lower incomes will not be able to use it. These are the people who are generally in greatest need of paid leave, and show the greatest benefit from it. The 2016 study found that Vermont workers in families with lower incomes (of 200 percent or less than the federal poverty threshold) would have access to and would take more paid leave (an estimated increase of almost 40 percent) than those with higher incomes.⁷ Additionally, the state would see over 3000 people lifted above the poverty line through such a program.⁸

Interestingly, if the wage replacement is too low, men are also less likely to take parental leave – especially if they were the primary breadwinner prior to the arrival of the child.⁹ This dynamic only exacerbates the inequality inherent in our cultural assumptions that women should be primary caregivers, which is a fundamental cause of women's lower earnings.

California, which has had paid medical leave since 1946 and paid parental leave since 2002, just increased their wage replacement level to up to 90% of earnings, precisely because they found that lower income workers were less likely to take the leave.¹⁰

⁴ https://women.vermont.gov/sites/women/files/pdf/VT%20PFML%20Study_Final%20Report__FINAL_V3.pdf

⁵ https://women.vermont.gov/sites/women/files/pdf/VT%20PFML%20Study_Final%20Report__FINAL_V3.pdf

⁶ [VT PFML Study Final Report FINAL V3.pdf \(vermont.gov\)](https://www.vermont.gov/files/VT%20PFML%20Study_Final%20Report__FINAL_V3.pdf)

⁷ [VT PFML Study Final Report FINAL V3.pdf \(vermont.gov\)](https://www.vermont.gov/files/VT%20PFML%20Study_Final%20Report__FINAL_V3.pdf)

⁸ [VT PFML Study Final Report FINAL V3.pdf \(vermont.gov\)](https://www.vermont.gov/files/VT%20PFML%20Study_Final%20Report__FINAL_V3.pdf)

⁹ [Full article: Explaining the positive relationship between state-level paid family leave and mental health \(tandfonline.com\)](https://www.tandfonline.com/doi/full/10.1080/10439862.2017.1375000)

¹⁰ [California raises wage replacement for new parents, sick workers - Los Angeles Times \(latimes.com\)](https://www.latimes.com/california/story/2019-01-10/california-raises-wage-replacement-for-new-parents-sick-workers)

Coverage of most significant needs for leave

This bill reflects a recognition of the varied needs for leave faced by Vermont employees: personal leave for one's own serious illness or injury, parental leave (including for foster and adoptive parents), leave to care for a family member, safe leave for those affected by domestic and sexual violence, leave to cover exigencies due to military service, and bereavement leave.

Job protection

Working mothers who receive job-protected paid leave are more likely to take at least the minimum six to eight weeks of leave that physicians recommend.¹¹ When mothers take longer leaves, their babies are more likely to be seen by a pediatrician for immunizations and regular checkups, and they are more likely to be breastfed.¹² In California, which has provided a statewide paid leave program since 2004, breastfeeding mothers who take the paid leave under the program continue breastfeeding for approximately twice as long as mothers who don't use the program.¹³

COMMENTS ON SPECIFIC POINTS IN THE BILL

Page 15, section 2056 – eligibility

In a scenario in which someone works for an employer with an approved private plan for the first 5 of the previous 6 quarters, and then moves to a different employer and contributes to the public plan for only the last quarter, it seems that the person would not be eligible to receive benefits, because they had not contributed to the program for two of the last six quarters. This could have the effect of penalizing an employee for something over which they had no control – their prior employer's choice to opt for a private plan.

Page 30, section 2066 – disqualifications

On the flip side of the last point, it appears in this section that someone who had contributed to the program for two of the last six quarters but who is currently employed by an employer with an approved private plan might be able to collect both benefits for all types of leave other than personal medical leave.

Page 20, section 2060 – employer option private plan

Subdivision (a)(2) specifies the plan elements that must be the same or better, but leaves out the length of the leave. This is a critical element, and is in fact mentioned in subdivision (b)(2)(B) as one of the factors to be weighed in determining whether a plan is equivalent or more generous than the public program. This same section, however, only requires the Commissioner of DFR to weigh the length of leave, wage replacement, and cost to employees when making this determination, which leaves out critical elements such as forms of leave.

¹¹ Gomby, D., & Pei, D. (2009). *Newborn Family Leave: Effects on Children, Parents, and Business*. David and Lucile Packard Foundation Publication. Retrieved 9 April 2012, from http://www.packard.org/wp-content/uploads/2011/06/NFLA_fullreport_final.pdf

¹² Berger, L., Hill, J., & Waldfogel, J. (2005). Maternity Leave, Early Maternal Employment and Child Health and Development in the US. *The Economic Journal*, 115(501), F44.

¹³ Appelbaum, E., & Milkman, R. (2011). *Leaves That Pay: Employer and Worker Experiences with Paid Family Leave in California*. Center for Economic Policy Research Publication.