

# The Child Development Case for Paid Family Leave Insurance in New York



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In the first months and years of life, babies discover the world through experiences with their parents and other caregivers. A baby's early relationships, especially with parents, shape the architecture of the developing brain.<sup>1,2</sup> These relationships require a depth of love for and knowledge of a child that only a parent or caregiver can come to possess. It takes care, consistency, and, above all, *time*.

Enacting legislation that provides parents with paid leave from work to care for their young children is critical to the healthy development of children and families. Now is the time for New York lawmakers to secure the best beginnings for babies and the best future for the state by supporting paid family leave.

**The Need:** Legislation that promotes time for parents to care for and bond with very young children, without jeopardizing their ability to pay for basic necessities

## Relationships with both parents are critical to a baby's early development.

- For babies, every minute and every interaction is a lesson in how the world works, how individuals relate to one another, and how they are valued. Caring, consistent relationships experienced by young children can mitigate the impact of adversity and can mean the difference between positive and negative outcomes for children throughout their lives.<sup>3</sup>
- It takes several months of focused attention to become a responsive parent to a young child, establishing a pattern that will influence the child's long-term cognitive, social, and emotional development.<sup>4</sup>
- The capacity to recognize a parent's voice, smell, and face develops around 3 months old.<sup>5</sup> Paid time off from work gives parents and babies important time to foster these connections.
- Adequate time with parents is especially crucial for infants considered at high risk for a variety of developmental difficulties, such as babies born preterm or with illnesses, birth defects, or low birth weight.<sup>6</sup>



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### **Too often, out of economic necessity, new parents must rush back to work and forgo precious bonding time with their children.**

- Most employed women do not have access to paid maternity leave. About one third of private sector workers (35.1%) are employed at worksites that offer paid maternity leave to all or most female employees, and only about one fifth (21.6%) are employed at worksites that offer paid maternity leave to all female employees.<sup>7</sup>
- Most working men do not have access to paid paternity leave. Of private sector workers, 20% are employed at worksites that offer paid leave to all or most male employees, and 9% are at worksites that offer paid leave to all male employees.<sup>8</sup>
- Access to fully paid maternity leave at large companies is decreasing. The percentage of employers that provide fully paid maternity leave through a disability program fell from 16% in 2008 to 9% in 2014.<sup>9</sup>

### **The Solution: Modernization of New York's existing Temporary Disability Insurance programs to include paid family leave**

New York is one of five states with an insurance system already in place that can be used to provide paid family leave. It's called Temporary Disability Insurance (TDI). Funded through small employer and employee payroll contributions, TDI provides partial wage replacement when workers experience an off-the-job, short-term disability, including those related to pregnancy and recovery from childbirth. California, New Jersey, and Rhode Island have successfully **modernized their existing TDI programs to include paid family leave**, financed entirely through modest employee payroll contributions.

Modernizing New York's existing TDI system is a smart, affordable way to provide paid family leave so thousands of New Yorkers can better care and provide for their families when family and medical needs arise. **The new benefit would be entirely employee-paid through small payroll deductions of 45 cents a week.** In subsequent years, employee contributions would be determined based on estimates of the cost per employee of providing family care benefits through the State Insurance Fund.<sup>10</sup>

The proposed legislation (A. 3870/S. 3004) would also modernize New York's TDI benefit levels. TDI benefits in New York have not been adjusted over time to keep pace with rising living costs. The current cap of \$170/week has been frozen for 26 years and lags dramatically behind that of every other TDI state (where maximum weekly benefits average \$757.50).

## Legislation to create paid family leave and adequate benefits would provide:

- Up to 12 weeks of job-protected paid family leave a year to care for a new child or seriously ill family member.
- Benefits replacing two thirds of an employee's average weekly wage up to a cap of 50% of the statewide average weekly wage (when fully phased in over 4 years) for both disabilities covered by current law and the new family caregiving purposes.
- Greater financial stability for an estimated 50,000 to 77,000 New Yorkers annually and their families who rely on their income when a new child arrives or a loved one needs their care. And it will give all the state's 7.2 million private sector workers peace of mind, knowing paid family leave will be there if and when they need it.

For more details, see the [New York Paid Leave Insurance Campaign's fact sheet](#).

## The Benefits of Paid Leave for Babies, Their Families, and Society

### A period of paid leave after birth contributes to the healthy development of infants and toddlers.

- Time at home with newborns, infants, and toddlers gives parents the time they need to breastfeed, attend well-child medical visits, and ensure that their children receive all necessary immunizations.<sup>11</sup>
- Studies show that paid family leave yields higher rates and longer periods of breastfeeding, which reduces the rates of childhood infections.<sup>12</sup>
- Parental time off facilitates the early detection of potential developmental delays at a time when problems can be most effectively addressed and interventions identified to minimize them.<sup>13</sup>

### Family and medical leave improves outcomes for the entire family.

- Longer leave periods are associated with benefits for the mother as well as the baby, including declines in depressive symptoms, a reduction in the likelihood of severe depression, and improvement in overall health.<sup>14</sup>
- A growing body of research confirms the special contribution of fathers in encouraging infant play and cognitive development. These studies show that fathers who take some time off after the birth or adoption of a baby are more likely to be involved in their child's life moving forward.<sup>15</sup>

## Paid leave policies can benefit employers, taxpayers, and the economy, now and in the future.

- When parents can attend to a child's early medical needs, infant mortality and the occurrence and length of childhood illnesses are reduced, which in turn lowers private and public health expenditures.<sup>16</sup>
- Parents who can spend more time with their infants in the first months after birth or adoption are in a position to be wiser consumers of high-quality, out-of-home child care when they go back to work. Paid leave can give parents time to search for child care that meets the unique needs of their family, thereby facilitating greater productivity when they return to their jobs after leave.<sup>17</sup>
- Positive, consistent relationships during a child's early years yield confident individuals who are better equipped for success in school and in life,<sup>18</sup> paving the way for a higher quality workforce and strong economic growth.

## References

<sup>1</sup> National Scientific Council on the Developing Child, *The Timing and Quality of Early Experiences Combine to Shape Brain Architecture: Working Paper No. 5*. National Scientific Council on the Developing Child, 2007. Retrieved April 27, 2015, from [www.developingchild.harvard.edu](http://www.developingchild.harvard.edu).

<sup>2</sup> Sharon Fox, Pat Levitt, and Charles A. Nelson III. (2010). How the timing and quality of early experiences influence the development of brain architecture. *Child Development*, 81(1), 28–40.

<sup>3</sup> Edward Zigler, Susan Muenchow, and Christopher J. Ruhm, *Time Off With Baby: The Case for Paid Care Leave*. Washington, DC: ZERO TO THREE, 2012.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Jacob Klerman, Kelly Daley, and Alyssa Pozniak, *Family and Medical Leave in 2012: Technical Report*. U.S. Department of Labor, 2012. Retrieved April 22, 2015, from [www.dol.gov/whd/fmla/survey](http://www.dol.gov/whd/fmla/survey).

<sup>8</sup> Ibid.

<sup>9</sup> Kenneth Matos and Ellen Galinsky, *2012 National Study of Employers*. Families and Work Institute, 2012. Retrieved April 22, 2015, from [www.familiesandwork.org](http://www.familiesandwork.org).

<sup>10</sup> Experience from other states indicates that contribution levels will fluctuate only slightly. For example, after New Jersey's first year, premium contributions actually declined.

<sup>11</sup> Sheila B. Kamerman, "Parental Leave Policies: The Impact on Child Well-Being." In Peter Moss and Margaret O'Brien, eds., *International Review of Leave Policies and Related Research 2006*, 16–21. London, UK: Department of Trade and Industry, 2006.

<sup>12</sup> Kamerman, "Parental Leave Policies."

<sup>13</sup> Zigler, Muenchow, and Ruhm, *Time Off With Baby*.

<sup>14</sup> Pinka Chatterji and Sara Markowitz, *Family Leave After Childbirth and the Health of New Mothers*. National Bureau of Economic Research, 2008. Retrieved April 22, 2015, from [www.nber.org](http://www.nber.org).

<sup>15</sup> Erin Rehel (2014). When Dad Stays Home Too: Paternity Leave, Gender, and Parenting. *Gender & Society*, 28(1), 110–132.

<sup>16</sup> Kamerman, "Parental Leave Policies."

<sup>17</sup> Zigler, Muenchow, and Ruhm, *Time Off With Baby*.

<sup>18</sup> National Research Council and Institute of Medicine, *From Neurons to Neighborhoods: The Science of Early Childhood Development*. Jack Shonkoff and Deborah A. Phillips, eds. Washington, DC: National Academy Press, 2000.