



State of the State Address Fact Sheet: **Paid Family Leave**

“This year, I will ask again that you enact a paid family leave bill. It is unfair to ask hard working New Yorkers to choose between economic security and caring for a loved family member.”

-Governor Eliot Spitzer (January 9, 2008)

The Challenge

- Taking time from work in today’s economy may risk a family’s financial survival, while failing to provide care may risk the wellbeing of a young baby or ill parent.
- A mother with a newborn baby; a husband whose wife needs chemotherapy; a grown son whose elderly parent has just suffered a stroke – they must now choose between the financial security of their household and the urgent need to be with their families at these most vulnerable and critical moments of family life.
- This is an impossible choice, which is addressed, in part, with a family care benefit.
- California already has a similar system in place and Washington State just recently passed it into law. 168 other countries also offer some form of paid family leave.
- Any bill must be careful to not overburden employers

Our Approach

- The Governor will once again submit legislation that fulfills the promise of the federal Family Medical Leave Act (FMLA) by offering a modest benefit for up to 12 weeks for those employees that need to take off work to bond with a new child or care for a seriously ill family member.
- The Assembly passed this proposal last year.
- The bill would create a paid “family care benefit” for up to 12 weeks for parents to bond with a new child (biological, adoptive, foster) during the first year, and for people to care for a seriously ill parent, child, spouse, domestic partner, mother or father-in-law, or grandchild.
- To ensure this bill is sensitive to business concerns, it would increase the current 60¢ weekly cap on employee contribution, and allow employers to pass on to employees an additional 45¢ during the first year (our best projection using actuarial analysis as to the average cost of the benefit), and subsequently, a fixed amount determined annually by the Superintendent of Insurance based on his or her actuarially sound estimation of the average cost of the benefit. The same pass through will apply to those public employers

that do not opt into TDI and choose to offer a separate family care benefit through SIF, self-insurance, or the private market.

- For more details, see the complete text of the bill (A9245).

Other Relevant Initiatives

- This Paid Family Leave proposal is a component of the Governor's Economic Security Agenda, which includes among other initiatives already under way:
 - Governor's strategy to address New York's foreclosure crisis (described in detail in a separate fact sheet);
 - Child Tax Credit initiative, which gives up to \$1,000 to 49,000 families with incomes of \$30,000 or less to help pay for child care needs;
 - Working Families Food Stamp Initiative, which will enroll an additional 100,000 working families into our food stamp program;
 - Increased Labor Law enforcement through greater minimum wage enforcement and the creation of the Misclassified Workers Task Force;
 - Increased workers' compensation benefits for the first time in fifteen years. Despite a 20% cut in workers' compensation rates, the maximum employee benefits will rise from \$400 to \$600 by 2009, and will be indexed annually thereafter; the minimum weekly benefit has also been increased from \$40 to \$100.