



**Family Leave Trends
&
San Francisco and
New York
Paid Family Leave**



LeaveLogic



Anna Steffene

*CEO LeaveLogic
Employee Self-Serve
Leave Solution*

Parental Leave: Is it a Trend or Going Mainstream?

AGENDA



A

What is Paid Leave and how does it fit with your benefits package

B

World Perspective - What are other countries doing

C

United States – current federal and state of paid leave

D

Best Practices and Considerations moving forward

What exactly is “Paid Leave” (PL)

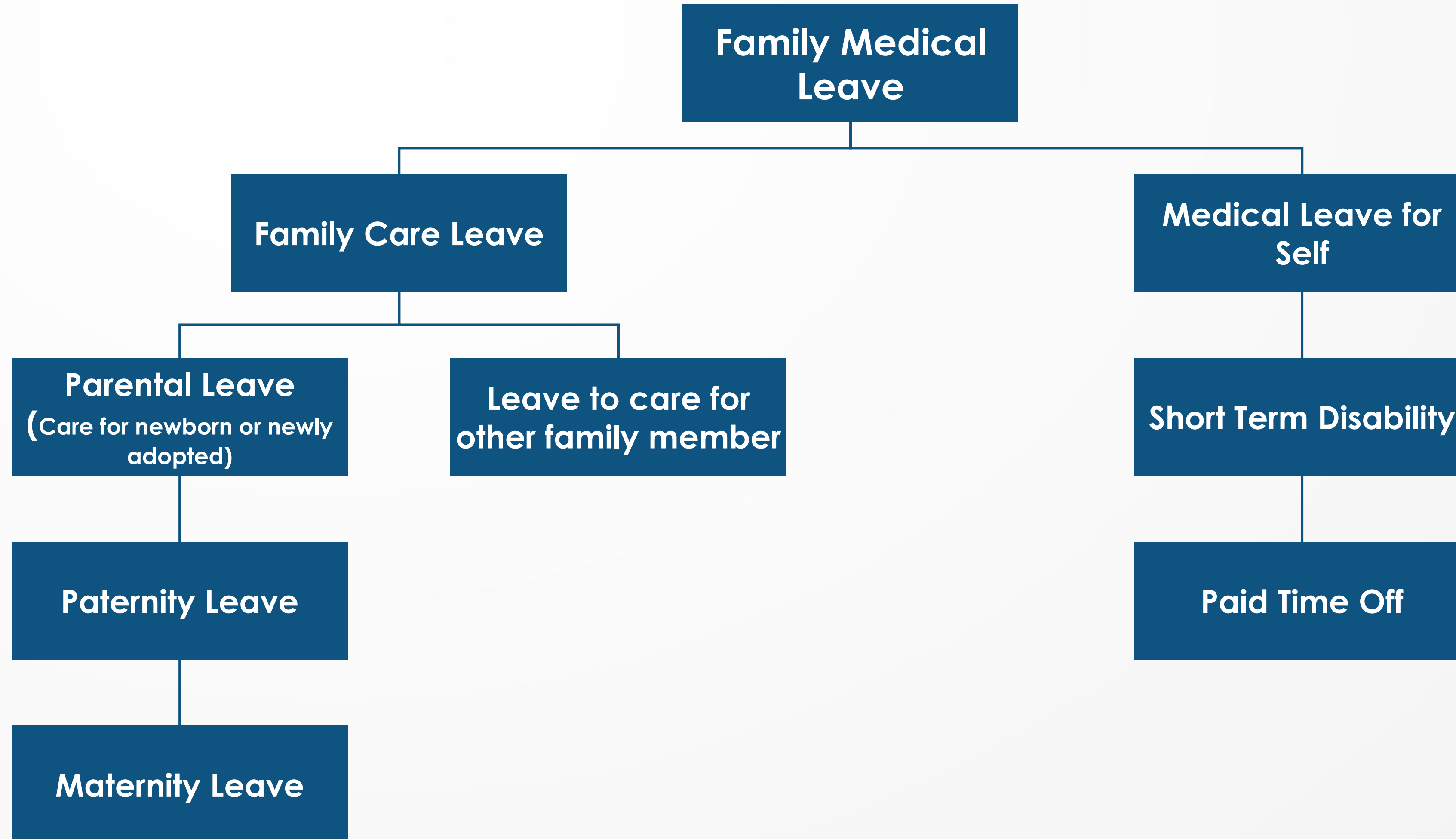
Paid Leave allows an employee to receive a portion or all of their wages while taking time off of work.

Variations of **Paid Leave** include:

- Maternity Leave which is the most common
- Family Leave is time off from work to deal with family matters including the birth or adoption of a child or to care for a sick spouse or parent (Under FMLA this is unpaid)
- Parental Leave is time off from work granted to a parent to care for a newborn or a newly adopted or foster child. (Under FMLA this is also referred to as Bonding Leave)
- Medical Leave is for one’s own serious health condition or non work related injury. (Maternity leave would qualify as medical leave)

Currently – the term Paid Parental Leave is being used to describe the newly proposed paid benefit for absence from work by one or both parents due to parenting a new child (birth/foster/adoption)



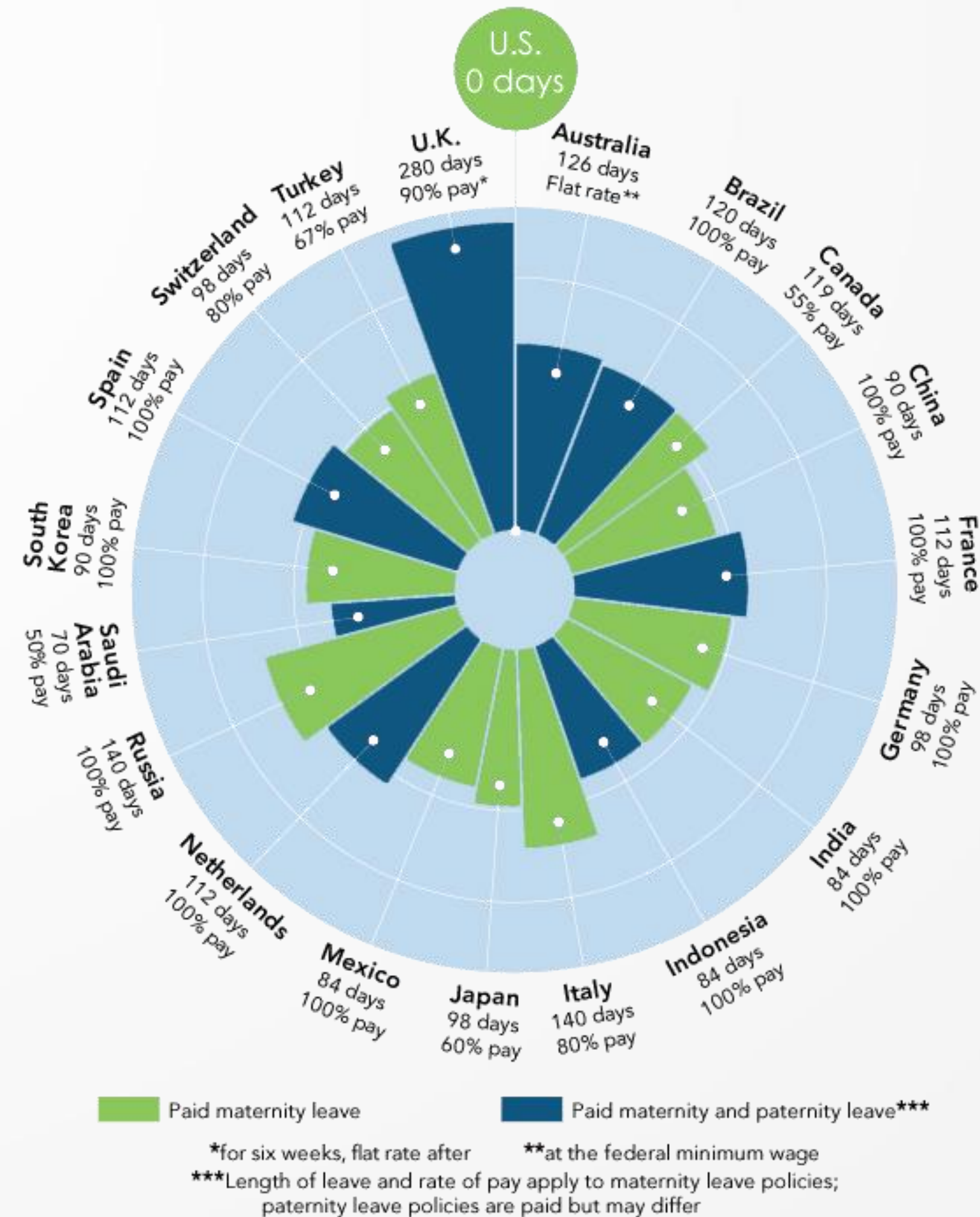


Payment Mechanisms

- Sick Leave
- Vacation Leave
- Paid Time Off
- Disability Coverage
- Paid Maternity, Paternity or Parental Leave

Paid Parental Leave: U.S. vs. The World

Out of 185 countries reviewed in a 2014 report by the International Labour Organization, only two – the United States and Papua New Guinea – did not have public policies for paid maternity leave. The report countries also mandated paternity leave with 70 of those providing paid leave to new fathers.



Source: International Labour Organization

THE EVOLUTION OF PAID PARENTAL LEAVE

- In July 2014, the Equal Employment Opportunity Commission (EEOC) required employers to distinguish between parental leave related to childbirth recovery and leave for bonding.
- This guidance led to the concept of parental leave, which asserts that leave must be provided on the same terms to similarly situated men and women or employers will face possible employment discrimination claim.
- Furthermore, the EEOC has refined the definition of “parent” so that is now includes those who adopt and foster babies and children, as well as parents who welcome a child through surrogacy.
- Leave options should be inclusive of all groups.



New York Paid Family Leave

- 2018: 50% of weekly earnings for up to 8 weeks
- 2021: 67% of weekly earnings for up to 12 weeks
- Funded by payroll deductions of about \$1 per week per employee
- Covers full & part time employees after 6 months of employment
- Job protected leave
- Applies to all employers, regardless of size.

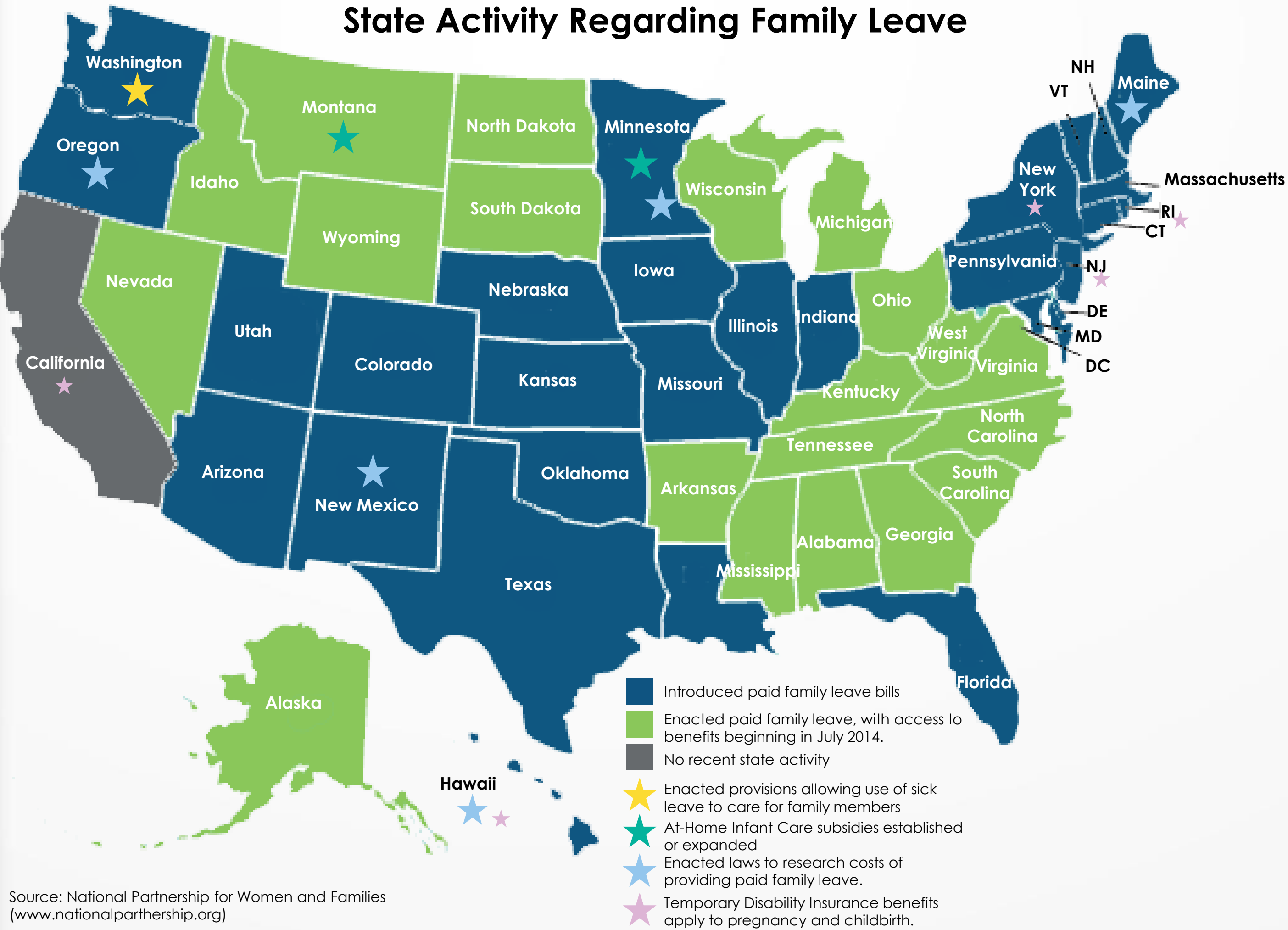


San Francisco Paid Parental Leave Ordinance

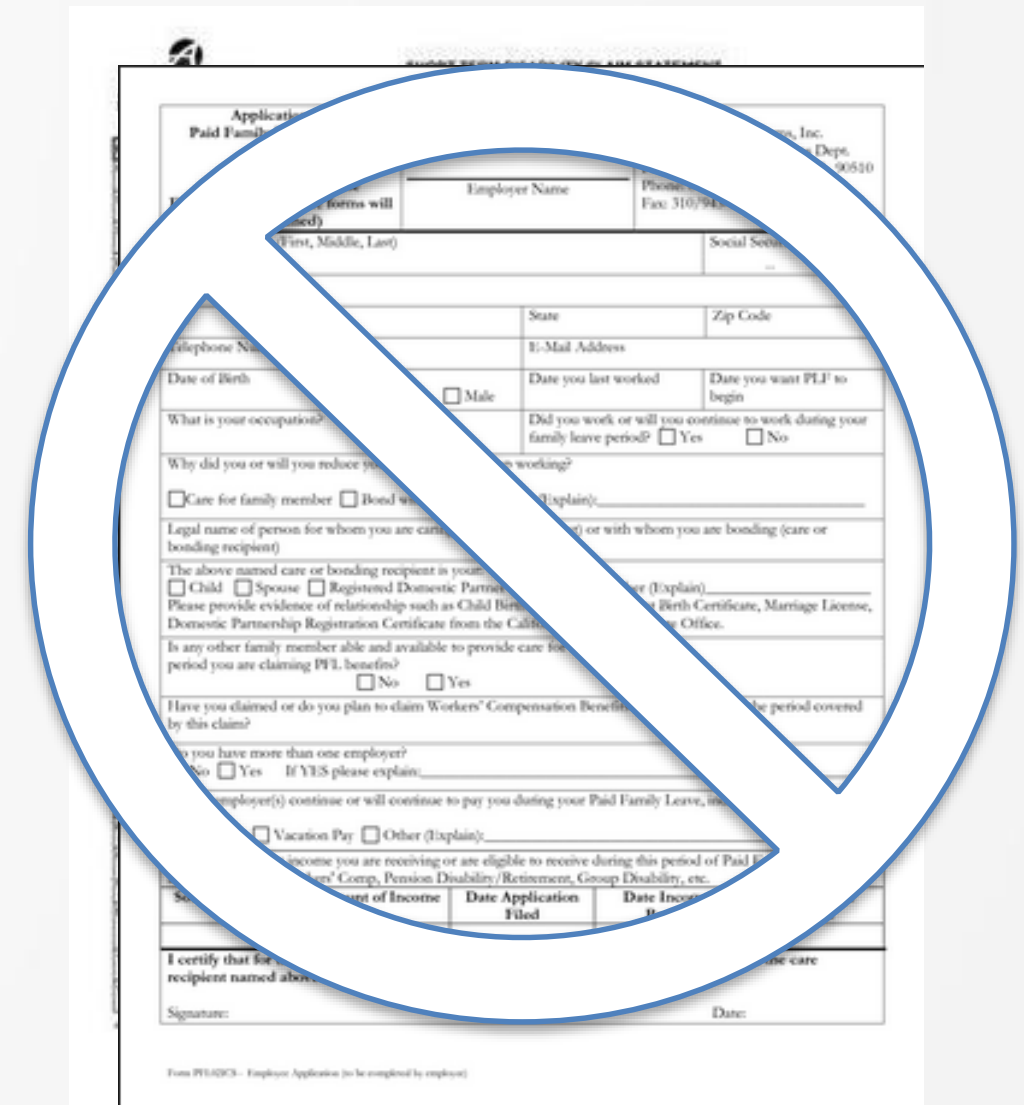
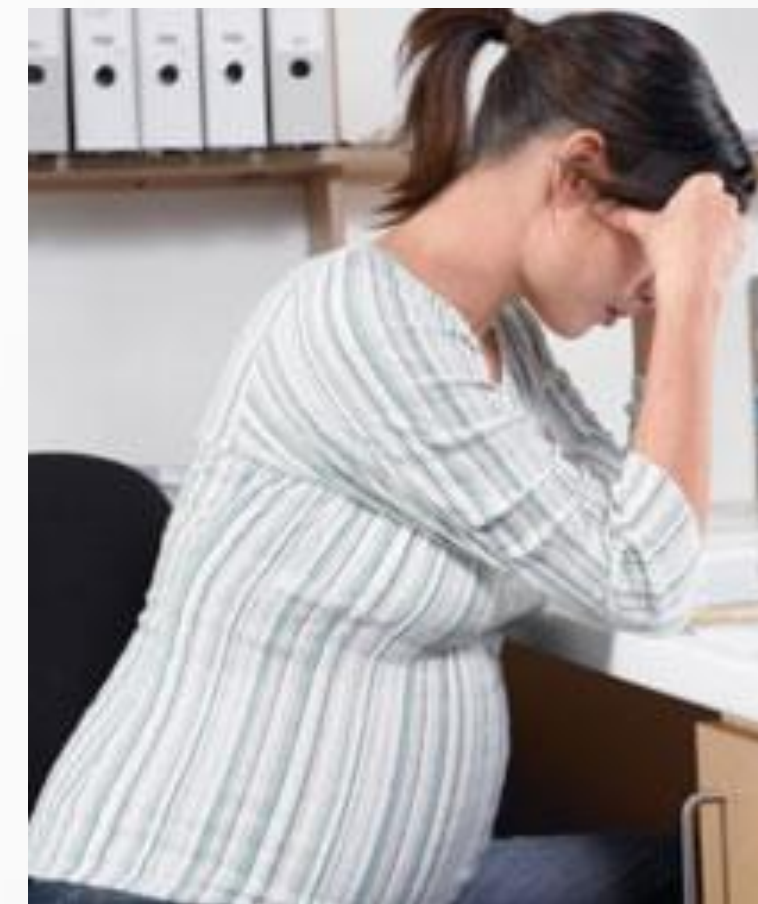
- 1/1/17: Employers with 50 or more employees must comply
- 7/1/17: Employers with 35 or more employees must comply
- 1/1/18: Employers with 20 or more employees must comply
- Must have worked for employer for 180 days
- 45% of weekly earnings for bonding paid by employer
- 55% of weekly earnings will continue to be paid under California Paid Family Leave (*adjust % due by the ER if PFL changes it's benefits)

23 states are expected to come online

State Activity Regarding Family Leave



Source: National Partnership for Women and Families (www.nationalpartnership.org)



Research has shown that paid leave

- Increases the likelihood that workers will return to work after childbirth
- Improves employee morale
- Has no or only positive effects on workplace productivity
- Reduces the cost to employers through improved employee retention
- Improves family economics

Research has further indicated that expanding paid leave in the US is

- Likely to have economy wide benefits such as reduced government spending on public assistance
- Increased labor force participation
- Results in concomitant economic gains
- Generates a larger tax base and increased consumer spending



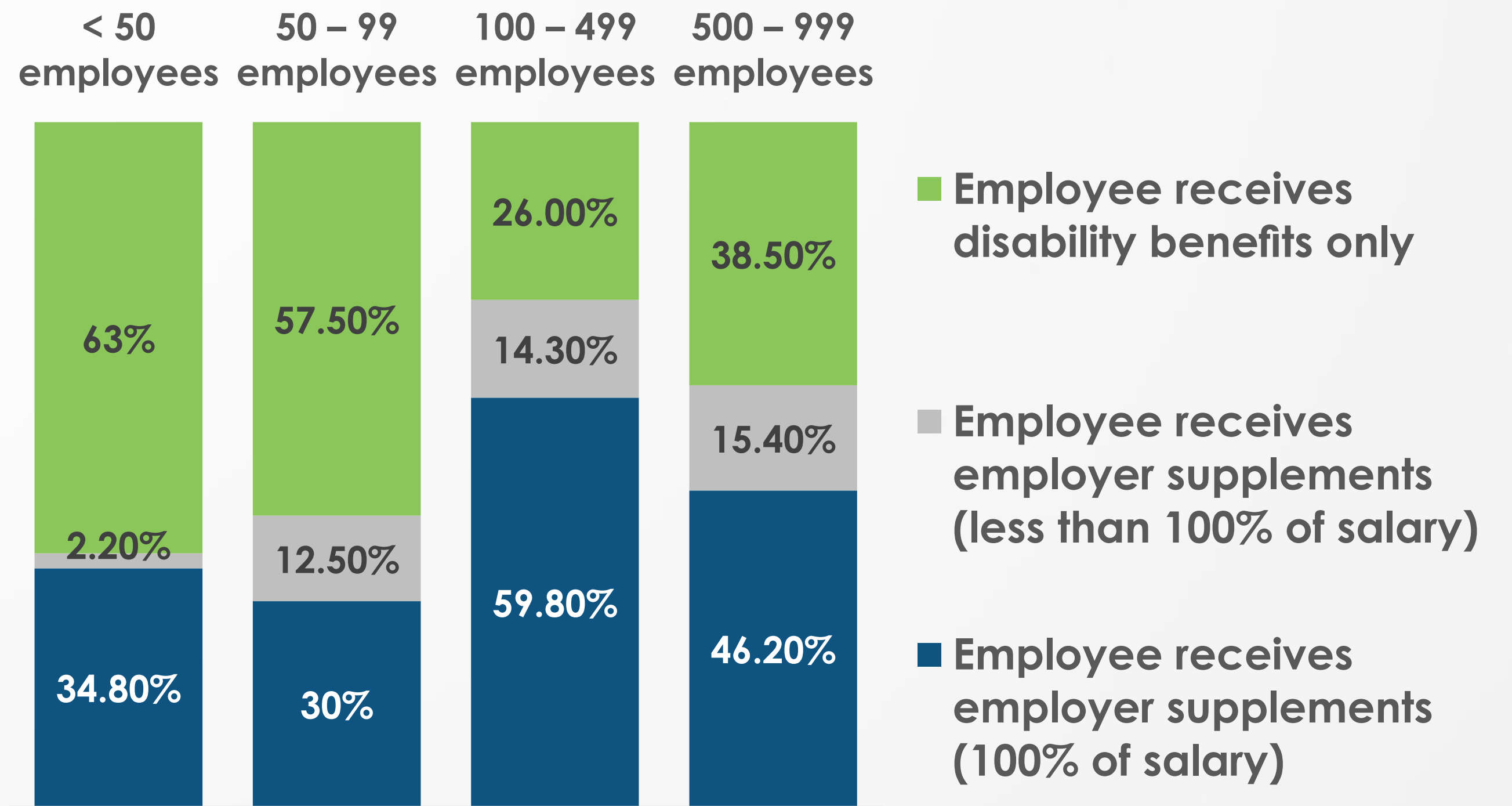
Because disability insurance pays a portion of the mother's compensation for maternity leave, companies who previously did not have a set policy often are not sure how much time to offer, or if new fathers should also receive paid leave.

Survey responses show that larger companies are more likely to offer maternity/paternity benefits. The companies that opt to supplement disability benefits are most often choosing to pay 100% of salary rather than a portion of salary.

The majority of companies offer salary continuation plans for maternity and paternity leave



As companies scale, maternity and paternity leave policies become more common



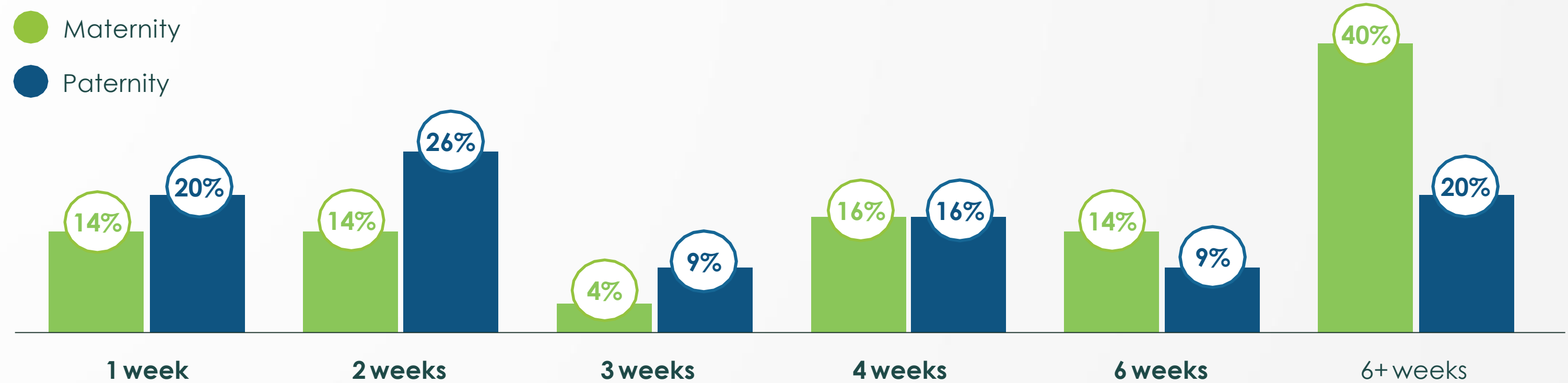


New mothers receive much more time off than new dads, with the most common amount being over 6 weeks. However, we did find a significant increase in the amount of paternity leave companies are offering to employees compared to 2014.

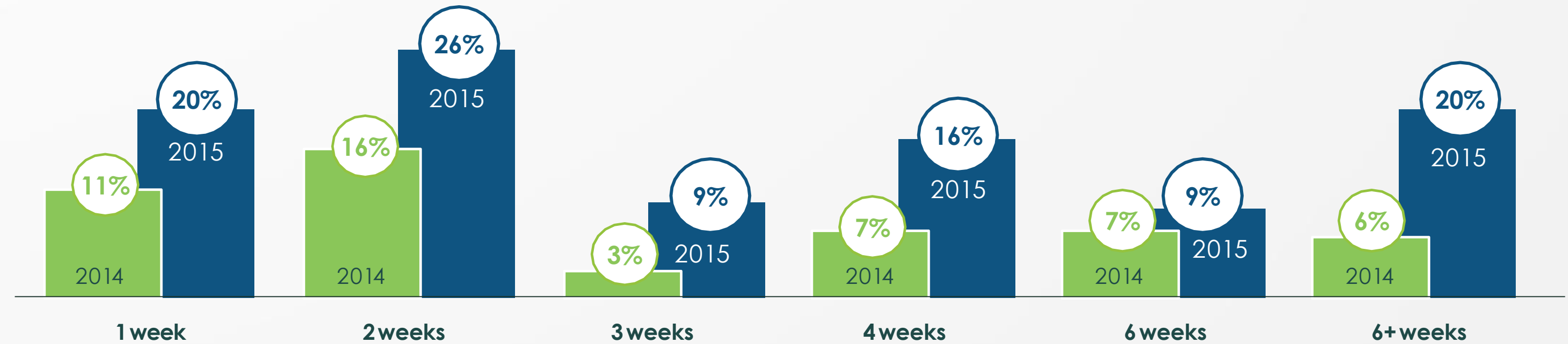
Where only 6.3% of respondents in 2014 offered over 6 weeks of paternity, that percentage jumped to 20% in 2015, with other similar increases varying in length.

Even if a company does not formally offer maternity and/or paternity leave, federal FMLA regulations require certain employers to offer up to 12 weeks of unpaid leave for various reasons, including for the birth of a child, to bond with the newborn child, and for the placement and bonding with an adopted or foster child.

Over 6 weeks of leave is most common for new mothers



The number of companies offering paternity leave has increased since 2014



Questions to consider might include:

- What and who will it cover?
- Who is eligible?
- What is the benefit or entitlement?
- Will there be a different benefit for primary and secondary caregivers?
- Will other family leaves be paid as well?
- How long do they have from the birth or adoption to take paid parental leave?
- Will there be restrictions or limitations to the benefit?
- Will it run concurrent with STD and federal/state leave entitlement?
- Are there any state paid leaves that need to be considered?

- Survey your employees to gain insights into what is desired.
- Clearly define the advantages and benefits for your company Positive impact on retention or Talent Attraction
- Positive impact on morale and satisfaction
- Develop clear understanding of the National and State Policies and how your company will be impacted
- Decide on Policy specifics – should it be Parental or Family. Consult with legal resources.
- Determine your ROI and be able to defend.

- **Sequoia Benchmarking Study**
- **Optimizely's open sourced parental leave**
<https://blog.optimizely.com/2015/10/30/parental-leave-policy/>
- **New York's Paid Leave Summary**
<http://www.abetterbalance.org/web/images/stories/Documents/familyleave/NYPFLI.pdf>
- **Center for Parental Leave Leadership:**
<http://cplleadership.com/>
- **Working Parent Support Coalition**
<http://workingparentsupportcoalition.launchrock.com/>
- **Emissaries:**
<https://emissaries.co/>
- **LeaveLogic:**
<http://leavelogic.com/>

Questions





Thank you!