
FAMILY LEAVE AMENDMENTS

Main Provisions:

- Parental leave, for either/both parents, with sustained pay upon the birth or adoption of a child
- Applies to full-time state employees of the executive branch (departments, agencies, boards, commissions, offices, etc.)
- The amount of paid leave time is six weeks, concurrent with [unpaid] FMLA
- The employee has been employed, full-time by the state, for at least twelve consecutive months
- Following leave, the parent is assured of returning to the same or equivalent position
- Employees notify the employer of the planned dates of leave

Noted Benefits *(The sponsor has documentation, references, or personal testimony about each of these) :*

- Reduces infant mortality
- Children are more likely to get necessary vaccines
- Increases the rate and duration of breast feeding
- Mothers are less likely to suffer depression
- Allows fathers more involvement with child-rearing
- Assures job security
- Assures loyalty to employer
- **Reduces turnover; reduces retraining costs; increases stability in the workplace**
- **Increases productivity**
- Reduces reliance on public assistance
- Reduces family indebtedness

Points of discussion:

- Governor Herbert and Lt. Governor Cox have both expressed support for parental leave legislation
- States with recently-implemented parental leave policies:
 - North Carolina – May 2019
 - Kansas – November 2018
 - Indiana – 2017
 - Missouri – 2017
 - As of June 2019, ten states have parental leave policies
- Paid parental leave is given a “double score” in calculations for a January financial publication in which Utah is ranked 17th for places to raise a family.
- Salt Lake City reports, for parental leave January 1-December 31, 2017:
 - 94 employees (3%) of employees used this leave
 - The “reality” in most cases where leave was taken is forgone output
 - A survey is being conducted to summarize the more precise costs in cases where temporary employees or overtime were necessary.
- State and other human resource management view parental leave as a matter of “when” not “if,” based on national trends in attracting and retaining employees. *–Generally, the current discussion is focusing on the connections between parental leave and healthy children who grow into healthy adults.*
- Among the *Utah Business* “2018 Best Companies to Work For” Honorees, 18 of the 51 companies note parental leave as one of the perks.

(over)

Points of discussion, continued:

- Fiscal Notes:
 - “Enactment of this legislation likely will not materially impact state revenue.”
 - “... could cost the Division of Finance \$8,000 one-time from the General Fund to update the payroll systems and reports.
 - Estimates of “forgone output” are based on potential 3.8% to 5% of agency employees taking this leave.
 - “Forgone output” means work not completed in the same manner as when the employee is present. Estimates do not include considerations for forgone output when an employee is in the workplace but not “present” or focused on tasks.
- Other local employers who have adopted paid parental leave provisions include the University of Utah, Salt Lake City, the Church of Jesus Christ of Latter Day Saints, and RioTinto.
- The cost-benefit analysis is challenging, but it is generally and increasingly agreed that the benefits of productivity, employee retention, employee and workplace stability, and family security are greater than the costs of this leave for the number of employees who would use it.
- New impact data includes information on the effects on children, with emphasis added about the increased stability of the employer, in this case, a more “stable government”
 - Extending paid parental leave by 10 weeks will create an expected reduction of post-neonatal death (between age 28 days and one year) by 3.7 – 4.5 percent
 - Cost of employee turnover includes lowered productivity, overworked remaining staff, lost knowledge, training costs, interviewing costs, and recruiters; One estimate places the cost of employee turnover to be up to 35 percent of total annual salary (when including the lower productivity of new employees over the course of the first three months of employment), and exceeds 35 percent in positions of relative complexity.
 - Family friendly policies, including paid family leave, reduce turnover rates and enhance employee performance, and gives organizations a competitive advantage.
 - Research indicates that health outcomes for women increases in relation to the amount of time they take off of work post-partum.
 - Breastfeeding is known to be correlated with better long-term health outcomes for children. Mothers with longer allowances for post-partum leave continue to breastfeed for longer. Further, one primary objective of Healthy People 2000 was to encourage longer periods of breastfeeding.

*The members of the **Women in Economy Commission** voted for the “**Support of Concept**” on HB156 “Family Leave Amendments”*

Wednesday, February 7, 2018

Thomas J. Wadsworth,

*Director of Corporate Growth and Business Development
Governor's Office of Economic Development*

“When we work with companies that are interested in growing in Utah, we make sure that they are going to contribute to the State's economy... but we also want to ensure that we are working with companies that are striving to be employers of choice in the community. While family leave is not a screening requirement imposed by our office, in our application we ask companies to highlight programs or benefits that they offer that would make them an employer of choice such as medical or 401k benefits, family leave policies, vacation or PTO programs, ... etc.”