



FACT SHEET: Tennesseans Need Paid Family and Medical Leave

No one should have to worry about making ends meet during life's most important and difficult moments, whether that's welcoming a new child, caring for an aging parent, or fighting cancer. A paid family and medical leave insurance program would ensure that Tennesseans can care for ourselves and our loved ones without sacrificing our income or savings.

Tennessee families need stronger support for medical and caregiving needs.

- **3 in 4 workers in the South do not receive paid family leave** through their employers.¹ Low-wage workers and people of color, who are more likely to depend on every paycheck, are even less likely to have access to paid family leave.²
- Paid medical leave protects workers with serious medical needs when limited paid sick days are not enough. **3 in 10 workers in the South do not have a single paid sick day**³, but for those who do, the national average is just 8 sick days per year,⁴ far too little for a severe condition like cancer.
- The federal **Family and Medical Leave Act (FMLA) only provides unpaid leave**—which many families cannot afford—and over 40% of U.S. workers are not covered by this law.⁵

A paid family and medical leave insurance program would provide paid leave to all workers without burdening employers.

- An **employee-funded family and medical leave insurance program** would ensure that all Tennessee workers can take time to care for themselves or a loved one without sacrificing their income or savings.
- By contributing very little each week (about the cost of a cup of coffee), employees would pay into a fund to be used **to care for a new child, or in case of a family or medical emergency**.

A paid family and medical leave insurance program is good for business, especially in today's competitive labor market.

- Paid family and medical leave helps **increase employee retention, lower turnover, boost productivity, and improve morale**.
 - 91% of employers surveyed in one state reported that paid family leave had either a positive or neutral effect on profitability.⁶ A large majority of employers also reported positive or neutral effects on productivity (88.5%) and employee morale (98.6%).
 - An analysis of firms' outcomes⁷ after implementing paid leave found that, on average, firms experienced 4.6% greater revenue and 6.8% greater profit per full-time-equivalent employee, and a significant human capital ROI.
 - Replacing workers typically costs 24% of annual wages, and as much as 150% in some industries. Paid family & medical leave is proven to reduce turnover.⁷
- An employee-funded paid family and medical leave program would help **level the playing field for small businesses** by allowing them to provide a benefit that often only larger companies can offer.

A paid family and medical leave insurance program is good for the economy.

- By keeping workers with serious medical or caregiving needs **attached to the workforce**, paid family and medical leave **decreases reliance on public assistance programs**, creating taxpayer savings.
 - Women who return to work after a paid leave are about 40% less likely to receive public assistance or food stamps in the year following the child's birth, compared to those who return to work without taking leave.⁸
 - Women who take paid family leave are 54% more likely to earn higher wages post-childbirth.⁸
 - Women who take paid leave are more likely to be working 9 to 12 months after a child's birth than those who do not take paid leave.

A paid family and medical leave insurance program is good for public health.

- Paid leave can **help fight the opioid epidemic** by protecting workers' jobs and income while they seek residential treatment, which can be highly effective in treating addiction.⁹
- Family caregivers can help ill and aging individuals recover more quickly and spend less time in hospitals, **reducing costs and relieving overcrowded health care facilities**.¹⁰ The AARP currently ranks Tennessee as one of the worst states in the nation in terms of support for family caregivers.¹¹
- Paid family leave provides a wide range of physical and mental health benefits for parents and children, such as attending medical appointments, establishing breastfeeding, and reducing postpartum depression.

84% of Tennessee voters support creating an insurance plan to provide paid family & medical leave for employees to care for a sick family member, bond with a new baby, or recover from a major illness or injury.¹²

For more information, please contact A Better Balance at (615) 915-2417.

¹ U.S. Bureau of Labor Statistics, Employee Benefits Survey: Mar. 2023, <https://www.bls.gov/ebs/notices/2023/introducing-new-excel-tables-for-employee-benefits.htm>

² National Partnership for Women and Families, "Paid Family and Medical Leave: A Racial Justice Issue- and Opportunity," (2018), p. 5, <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>.

³ U.S. Bureau of Labor Statistics, Employee Benefits Survey: Mar. 2023, <https://www.bls.gov/ebs/notices/2023/introducing-new-excel-tables-for-employee-benefits.htm>

⁴ U.S. Bureau of Labor Statistics, Employee Benefits Survey: Mar. 2023, <https://www.bls.gov/ebs/notices/2023/introducing-new-excel-tables-for-employee-benefits.htm>

⁵ A Better Balance, A Foundation and A Blueprint: Building the Workplace Leave Laws We Need After Twenty-Five Years of the Family & Medical Leave Act, Feb. 2018, https://www.abetterbalance.org/wp-content/uploads/2018/02/ABB_-_FMLA-Report_FINAL-SinglePgs.pdf.

⁶ A Better Balance, "Busting the Myths on Paid Family Leave," 2017, <https://www.abetterbalance.org/resources/busting-the-myths-on-paid-family-leave/>.

⁷ National Partnership for Women and Families, Paid Family and Medical Leave is Good for Business, October 2023, <https://nationalpartnership.org/wp-content/uploads/2023/02/paid-leave-good-for-business.pdf>

⁸ Rutgers Center on Women and Work, Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public, January 2012, <https://nationalpartnership.org/wp-content/uploads/2023/02/pay-matters.pdf>

⁹ See Nat'l Inst. on Drug Abuse, Treatment Approaches for Drug Addiction (revised Jan. 2018), <https://www.drugabuse.gov/publications/drugfacts/treatment-approaches-drug-addiction>.

¹⁰ S. Reinhard, L. Feinberg, R. Choula, and A. Houser, Valuing the Invaluable: The Economic Value of Family Caregiving, 2015 Update, AARP Public Policy Institute (July 2015), <https://www.aarp.org/content/dam/aarp/ppi/2015/valuing-the-invaluable-2015-update-new.pdf>.

¹¹ American Association of Retired Persons (AARP), Long-Term Services and Supports 2023 State Scorecard—Tennessee, <https://tsschoices.aarp.org/scorecard-report/2023/states/tennessee>.

¹² Multi-State Poll: Tennessee Findings, State Innovation Exchange (July 2020), p. 13, https://stateinnovation.org/wp-content/uploads/2020/09/TSPolling_TN_Six_Deck_d4_2020.09.16.pdf.