





July 8, 2019

## Dear Representative:

On behalf of the National Active and Retired Federal Employees Association (NARFE), I urge you to support Amendment 363 of the National Defense Authorization Act (NDAA) for Fiscal Year 2020, H.R. 2500, when it is considered by the House this week. The amendment would incorporate the Federal Employee Paid Leave Act, H.R. 1534, into the NDAA.

The Federal Employee Paid Leave Act would: provide 12 weeks of paid parental leave in connection with the birth, adoption or foster placement of a new child; allow for up to 12 weeks of paid family leave to care for an immediate family member with a serious medical condition; provide employees with 12 weeks of leave if they are unable to work due to a serious medical condition; and provide up to 12 weeks of leave for other purposes that qualify for unpaid leave under the Family and Medical Leave Act (FMLA), including for certain military caregiving and leave purposes.

Paid family leave reflects the value we place on family and parenting. Families should not be forced to make difficult trade-offs between bonding with their new child or caring for a seriously ill family member, and being able to pay their bills and save for their child's future.

But this policy is not only about our values. Paid family or parental leave policies also reduce turnover costs significantly, possibly saving the government and taxpayers millions if implemented. In 2009, the Institute for Women's Policy Research estimated that the federal government could prevent 2,650 departures per year among female employees by offering paid parental leave, preventing \$50 million per year in turnover costs. In addition, the Congressional Budget Office (CBO) estimates that implementing paid parental leave policies across the federal government would not increase direct spending.

Offering paid family leave is also considered a human resources management best practice. Existing federal sick and annual leave benefits do not meet the needs of today's parents and caregivers. A paid family leave policy would bridge this gap. According to the Institute for Women's Policy Research, accruing 12 weeks of paid leave for use under the Family and Medical Leave Act would take more than four years from an employee's date of hire. This calculation does not, however, account for any use of sick leave beyond the average use of three days.

Having paid family or parental leave policies have been shown to improve the recruitment of young workers. When deciding whether to accept a job offer, 66 percent of respondents said the employer's paid parental leave policy is important, and 20 percent said it was the most important

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<sup>&</sup>lt;sup>1</sup> Miller, Kevin, Allison Suppan Helmuth and Robin Farabee-Siers. "The Need for Paid Parental Leave for Federal Employees: Adapting to a Changing Workforce," *Institute for Women's Policy Research*, <a href="https://iwpr.org/wp-content/uploads/wpallimport/files/iwpr-export/publications/A141.pdf">https://iwpr.org/wp-content/uploads/wpallimport/files/iwpr-export/publications/A141.pdf</a>, p. 9. <sup>2</sup> *Id.*, p. 7.

benefit.<sup>3</sup> Two-thirds of college students say that balancing work and family is a priority for them.<sup>4</sup> Work–family balance is valued by both men and women, especially those with children. In a 2014 study of highly educated professional fathers in the United States, nine out of 10 reported that when looking for a new job, it would be important that the employer offered paid parental leave, and six out of 10 considered it very or extremely important. These numbers were even higher for millennial workers.<sup>5</sup>

With the federal workforce aging, recruitment of young workers is more important than ever. Only 8 percent of the federal workforce is under 30, compared to 24 percent of the total labor force. With more than 31 percent of the federal workforce eligible to retire within the next five years, we have major recruitment challenges on the horizon. Offering paid family leave is a good first step towards meeting them.

With all these benefits for employers, it makes sense that an increasing number of major private-sector companies offer paid family or parental leave for their employees. As of 2018, the 20 largest private-sector employers in the United States offered some form of paid parental leave to at least some of their employees; for salaried employees, Starbucks offers 18 weeks for the birth mother and 12 weeks for the other parent; for both salaried and hourly employees, Walmart provides 16 weeks for primary parents and six for the other parent; Amazon provides 14 weeks for birth mothers and six weeks for the other parent; Netflix allows up to a year of time off; even the men and women of our uniformed military personnel are provided time off following the birth of a child.

This policy is long overdue. It is past time for Congress to follow the lead of the private sector, and the rest of the world, and implement a paid family leave policy that not only reflects the value of family, but is also an effective human resource policy.

For these reasons, I urge you to vote for Amendment 363 to the FY20 NDAA. Thank you for your consideration of our views. If you have any questions or comments, please contact NARFE's Staff Vice President of Advocacy Jessica Klement at 571-483-1264 or iklement@narfe.org.

Sincerely,

Ken Thomas National President

<sup>&</sup>lt;sup>3</sup> JustWorks, October 8, 2018, "6 Surprising Statistics About Benefits Employees Want," <u>justworks.com/blog/6-surprising-statistics-benefits-employees-want-infographics</u>.

<sup>&</sup>lt;sup>4</sup> Miller, Kevin "The Need for Paid Parental Leave," p. 5.

<sup>&</sup>lt;sup>5</sup> U.S. Department of Labor, "<u>Paternity Leave: Why Parental Leave for Fathers is So Important for Working Families.</u>"

<sup>&</sup>lt;sup>6</sup> Office of Management and Budget, March 2019, "Analytical Perspectives, FY2020 Budget of the United States of America," www.whitehouse.gov/wp-content/uploads/2019/03/ap\_7\_strengthening-fy2020.pdf, p. 68.

<sup>&</sup>lt;sup>7</sup> U.S. Government Accountability Office, "Strategic Management of Human Capital – High Risk Issue; Issue Summary," <u>www.gao.gov/key\_issues/strategic\_human\_capital\_management/issue\_summary#t=0</u>.

<sup>&</sup>lt;sup>8</sup> Miller, Claire Cain. "Lowe's Joins Other Big Employers in Offering Paid Parental Leave," *NY Times*, February 1, 2018, <a href="https://www.nytimes.com/2018/02/01/upshot/lowes-joins-other-big-employers-in-offering-paid-parental-leave.html">https://www.nytimes.com/2018/02/01/upshot/lowes-joins-other-big-employers-in-offering-paid-parental-leave.html</a>.