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# *Policy Matters:*

*Public Policy, Paid Leave for New Parents, and  
Economic Security for U.S. Workers*

A REPORT OF THE CENTER FOR WOMEN AND WORK

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## ABOUT THE AUTHORS

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# EXECUTIVE SUMMARY

A rich and growing literature attests to the benefits that accrue to workers, families, businesses, and the public when workers have access to paid leave to care for a new child. Such benefits include lower likelihood of premature birth,<sup>i</sup> improvements in breastfeeding establishment and duration, and higher likelihood of obtaining well-baby care.<sup>ii</sup> Additional studies have connected these short-term benefits to longer-term impacts, including improved health and well-being for both mothers and children<sup>iii</sup> and decreased health care costs.<sup>iv</sup> Access to paid leave has also been linked to families' economic security and independence.<sup>v</sup> Thus, paid leave policies can be viewed as proactive public investments in the health and well-being of children and families.

However, paid leave remains inaccessible to many. In March 2011, only 11% of private sector workers and 17% of public sector workers reported having access to paid family leave through their employer; those percentages dropped to 5% and 14% respectively for those earning in the bottom quarter of wages.<sup>vi</sup> Among first-time mothers, just half are able to take paid leave in connection with the birth of a child.<sup>vii</sup> Although access to unpaid leave is far more widespread, many U.S. workers and their families are unable to afford time off without pay. In the absence of public policy, workers' access to wages during a care-related period of time off is variable and unreliable, and it is largely confined to those with the highest earnings and job status.<sup>viii</sup> As a result, there is a vibrant and growing movement in support of paid family and medical leave policies—policies that make paid leave access a reality for all.

Our new research adds to existing literature by showing that policy does, in fact, matter and by quantifying the extent to which it matters. Temporary Disability Insurance (TDI) policies in five states enable women to take short medical leaves in connection with childbirth, and Paid Family Leave (PFL) or Family Leave Insurance (FLI) policies in two states enable men and women to take leave to care for a new child.<sup>1</sup> While we would expect these policies to positively impact new parents' reports of taking paid leave in connection with the birth of a child, our goal is to estimate the magnitude of such an increase and its impacts on family economic security. In this way, we hope to open the door to future efforts to quantify the social and economic impacts of paid leave policy.

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<sup>1</sup> As discussed in greater detail in the body of this report, the five states with TDI programs are California, Hawaii, New Jersey, New York, and Rhode Island. The two states with paid family leave insurance programs, which complement the states' TDI programs, are California and New Jersey.

Using the National Longitudinal Survey of Youth, 1997 to 2009 Panel (NLSY-97)—a nationally representative sample of women no older than age 30 in 2009—which provides detailed data on new births and leave-taking from 1997 through 2009,<sup>2</sup> we find that:

- Women in states with TDI or PFL programs are more likely—in fact, twice as likely—to take paid leave following the birth of a child than are women in other states. The effect is even larger for low-income women—those who are least likely to have access to paid leave through an employer.
- Women in California, which has a longstanding TDI program and the first PFL program in the nation, are more likely to take paid leave than are women in other states.
- The California PFL law resulted in a sharp increase in men’s leave-taking following a child’s birth. For the average new father in California, the predicted likelihood of taking paid family leave following a child’s birth more than doubled after the implementation of the new law, from 35% in 2004 and earlier to 76% in 2005 and after. Recent research on California’s program links PFL use to a range of individual, family, and public health benefits.<sup>x</sup>
- Women in states with TDI or PFL programs take longer leaves on average than do women in other states. Specifically, new mothers in TDI/PFL states take an average of 22 more days of paid leave time to recover from childbirth and/or bond with a new child than do those in other states. Past research has linked longer leaves to improved breastfeeding establishment and duration,<sup>x</sup> higher levels of mental health for women,<sup>xi</sup> and increased involvement in child care for men.<sup>xii</sup>
- Women in states with TDI or PFL programs are less likely than women in other states to receive public assistance or food stamp (Supplemental Nutrition Assistance Program, or SNAP) income following a child’s birth, particularly when they utilize the paid leave programs that are available to them.

This paper presents an important analysis that demonstrates the pivotal role that public policies play in facilitating the ability of parents to take paid leave. The findings here are critical for policymakers concerned with both the economic security of families and the economic position of the United States. Workers who have access to paid leave after a child’s birth tend to remain in the workforce, have higher wages over time, and rely less on public assistance and food stamp benefits;<sup>xiii</sup> as a result, they contribute more to their own economic security and to the security of the economy as a whole. Employers also benefit when workers have access to paid leave; greater labor force attachment among those with paid leave reduces recruiting, hiring, and training

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<sup>2</sup> As described in detail below, our analyses control for factors that may lead individuals to live in particular kinds of states, work in particular kinds of jobs, and have differential access to and use of paid leave; these include both individual- and state-level factors.

costs.<sup>xiv</sup> Moreover, existing research demonstrates that most employers are able to adjust when workers take leave. In the first comprehensive study of California's PFL program, the great majority of employers reported either cost savings or no additional costs associated with implementation of the program<sup>3</sup> because they temporarily assigned the work of employees on leave to other employees or hired temporary replacements. In fact, employers who coordinated their own benefits with the state's program likely realized cost savings from the program when employees used PFL either instead of or in combination with employer-provided benefits, such as paid sick leave, temporary disability, designated paid family leave, or vacation.

At a time when all adult members of most families with children are in the labor force and the population is aging, paid family and medical leave policies are more needed than ever. This paper demonstrates that public policies are a critical way to ensure that workers can take the leave they need.

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<sup>3</sup> When asked if the PFL program had resulted in any cost increases, 87% of respondents indicated that it had not (n=175). Indeed, 9% of employers reported that the PFL policy had resulted in cost savings.

## CURRENT POLICY LANDSCAPE

Federal U.S. law guarantees access to *unpaid* family and medical leave for some workers under certain employment and employer conditions. Since 1993, the Family and Medical Leave Act (FMLA) has required that eligible employees who work for larger employers (those with 50 or more employees) be provided up to 12 weeks of unpaid, job-protected leave annually, “for family and medical reasons.”<sup>xv</sup> As reported by the U.S. Department of Labor, only 58.3% of workers in 2000 were covered by the FMLA, a decline of 1.2% from five years earlier.<sup>xvi</sup> Workers covered by the FMLA tend to be more advantaged than are other workers, with higher levels of education and income.<sup>xvii</sup>

In the absence of public policy pertaining to *paid* family leave, U.S. workers faced with a situation that requires leave from work, such as the birth of a child or a serious family illness, may string together a number of employer-provided benefits, including sick leave, holidays, vacation, disability insurance, and/or paid and unpaid family leave. However, as is the case with FMLA, many U.S. workers, particularly the most economically vulnerable, are without these benefits.<sup>xviii</sup> The social, psychological, and financial costs of such a piecemeal, discretionary, and highly variable system may be paid out in lost productivity, heightened economic insecurity, and compromised family well-being.

While the United States has no federal-level paid family and medical leave policy, some states have moved ahead with their own legislation. In the process of policy adoption, states are often viewed as “laboratories”: contexts in which policies may be tried and evaluated.<sup>xix</sup> Between 1942 and 1969, five states—California, Hawaii, New Jersey, New York, and Rhode Island—adopted Temporary Disability Insurance (TDI) programs that pay workers a portion of their wages while they are out of work in connection with non-work-related injuries or illnesses.<sup>xx</sup> Since the 1970s, these programs have allowed women to use TDI to cover a portion of wages lost during the time off they need to recover from a birth.<sup>xxi</sup>

### CALIFORNIA

*Signed into law on September 23, 2002, California’s Paid Family Leave (PFL) program—the first such program in the country—has been providing wage replacement to workers with a child bonding or family care need since July 2004. Nearly universal in scope, California’s program is available to almost all private sector and nonprofit employees of any size employer. Some public sector and self-employed workers are included through collective bargaining agreements and through voluntary participation, respectively, though most neither contribute nor participate. Eligible workers receive up to 6 weeks of leave with wage replacement at approximately 55% of their average weekly earnings, up to \$1,011 per week in 2012. In the seven years that the program has been in operation, over 1.4 million claims have been processed and paid. In the most recent year, 2010–11, over 194,000 claims were paid, with an average weekly benefit amount of \$488.*

*Signed into law on May 2, 2008, New Jersey's Family Leave Insurance (FLI) program has been providing wage replacement to workers with a child bonding or family care need since July 2009. New Jersey's program is available to all workers who are covered by unemployment insurance, including part-time workers. An eligible worker may receive up to 6 weeks of leave, with wage replacement at two-thirds of the individual's average weekly wage, up to \$572 per week in 2012. In the two-and-a-half years that the program has been in operation, over 75,000 claims have been processed.*

Two of these states—California and New Jersey—recently added paid family leave components to their TDI programs, which provide both women and men with a portion of their wages when they take leave from work to bond with and care for a new baby or newly adopted child. Both the California and New Jersey programs are funded through worker payroll taxes and include leave coverage for new parents as well as for workers who need to care for a seriously ill family member.<sup>4</sup> One additional state, Washington, has passed a paid parental leave law but has, as yet, no funding mechanism in place to permit implementation. Advocates and legislators are currently working to amend the Washington law to provide for family- and self-care through a TDI system (see Washington legislation S.B. 6570).<sup>xxii</sup>

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<sup>4</sup> See Appendix A for a detailed description of FMLA, California's Paid Family Leave (PFL) program, and New Jersey's Family Leave Insurance (FLI) program.



## EXISTING RESEARCH ON POLICY EFFECTS

A growing body of research demonstrates the relationship between parents' access to paid leave and health and economic benefits for workers, families, businesses, and the public. Much of this research has been in the areas of infant and maternal health.

Studies have documented associations between maternal leave and increased infant birth weight, decreased likelihood of premature birth,<sup>xxiii</sup> increased breastfeeding establishment and duration, and increased likelihood of obtaining well-baby care.<sup>xxiv</sup> Berger, Hill, and Waldfogel (2005) reported that early returns to work among mothers who worked before birth were associated with a lower likelihood of breastfeeding, fewer completed immunizations, and increases in the child's externalizing behavior problems at age 4.<sup>xxv</sup> Research conducted specifically on California mothers concluded that parental leave had a positive effect on initiation and duration of breastfeeding, particularly among women with employment situations that might otherwise pose problems for breastfeeding: those in non-managerial positions, with inflexible work schedules, or with job-related or other forms of stress.<sup>xxvi</sup> Although attempts to assign a cost-savings estimate to an outcome such as breastfeeding are speculative, Montgomery and Splett (1997) placed the per-child value at \$400 in the mid-1990s;<sup>xxvii</sup> in 2001, Weimer placed the total national cost savings of increasing breastfeeding to the U.S. Surgeon General-recommended rates<sup>5</sup> at a minimum of \$3.6 billion annually.<sup>xxviii</sup>

New research continues to highlight the economic benefits of parental access to paid leave.<sup>xxix</sup> The companion report to this piece, *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*, used nationally representative data for adults age 30 and under to show that women who took paid leave were more likely to be working 9–12 months after their child's birth than were those who simply continued working without taking a post-birth leave. Women who took paid leave were also more likely to have increased wages in the 9–12 months after a child's birth than were women who continued working and did not take leave. Moreover, both women and men who took paid leave and then returned to work reported lower levels of public assistance receipt in the year following a child's birth when compared with those who continued working without leave. These findings have striking implications for workers' short-term economic stability, their longer-term retirement security, and both short- and long-term government spending.

Eileen Appelbaum and Ruth Milkman (2011) recently published the first comprehensive study of California's PFL program, covering the first six years of implementation. From 2009 to 2010, they surveyed employers at 253 private companies and nonprofit organizations and 500 individuals who reported an event that might lead to a paid family leave. They found that despite concerns prior to program implementation, the great majority of employers reported minimal or no discernible impacts on their business operations.<sup>xxx</sup> California workers also expressed high

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<sup>5</sup> Achieving the U.S. Surgeon General's recommended breastfeeding rates would entail going from 64% in-hospital and 29% at six months, to 75% in-hospital and 50% at six months.

degrees of satisfaction with the program. Not surprisingly, the program had the greatest impact on the economic security of workers in low-quality jobs;<sup>6</sup> the proportion of workers in low-quality jobs who received at least half of their usual wage while on family leave was 84% for those using PFL and 31% for those not using PFL. Employers also benefitted when workers in low-quality jobs used PFL; while 83% of workers using PFL returned to work for the same employer after taking leave, the same was true for only 74% of workers who did not use PFL.<sup>xxxi</sup>

This current study adds to the body of literature on paid leave and public policies by analyzing, for the first time, whether public policies influence workers' ability to take paid leave, as well as the duration of that paid leave, in conjunction with the birth of a child. Our study compares the use of paid leave in states that have public policies with the use of paid leave by similar people in states without such policies in order to determine whether state of residence has an effect on the likelihood of leave-taking. Building upon existing research that has shown, time and again, the benefits of leave-taking, we demonstrate that public policies matter in enabling workers to access leave—and we posit that access leads to better health and economic outcomes for the workers themselves as well as for their families, employers, and communities. In this context, public policies may be viewed as a smart investment in building stronger families and a stronger economy.

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<sup>6</sup> Appelbaum and Milkman (2011) define “low-quality jobs” as those that either pay \$20 per hour or less, or do not include employer-provided health insurance.

## STUDY DESIGN

The study sample includes women and men age 30 and under who reported a child's birth and at least 20 hours per week of work in the 3–4 months prior to the birth. In addition, they either (1) took a paid leave and returned to work for an average of 20 hours or more per week in months 9–12 after the birth;<sup>7</sup> (2) took an unpaid leave and returned to work for an average of 20 hours or more per week in months 9–12 after the birth; or (3) did not take any leave and reported working an average of 20 hours or more per week in months 1–4 after the birth.

The age of the sample is limited by the dataset in use. The National Longitudinal Survey of Youth, 1997 to 2009 Panel, began with a nationally representative sample of 9,000 youth ages 12–16 as of December 31, 1996. Study respondents are surveyed annually, with employment data reported for each month. As of the most recent year of data available (2009), study participants were no older than age 30. According to the National Vital Statistics Report, 63.3% of live U.S. births in 2008 were to women age 29 and under. In 2008, the average age at first birth was 25.<sup>xxxii</sup> Thus, using a sample of women age 30 and under addresses approximately two-thirds of births nationally.

Through contract with the U.S. Bureau of Labor Statistics, we received access to state identifiers. Thus, we are able to include in our analyses the individual's state of residence in the period prior to the birth. We use the term "Family Friendly (FF) state" to delineate those five states that have functioning programs that provide some degree of wage replacement to women who take time away from work to recover from a birth: California, New Jersey, New York, Rhode Island, and Hawaii. We hypothesize that residence in one of these states will increase the likelihood that women will take paid time off following the birth of a child.

As noted, two of the five Temporary Disability Insurance (TDI) states have enacted public policies that recognize the need not only for time to recover physically from childbirth but also for time to bond with and care for a newborn or newly adopted child. Importantly, these Paid Family Leave (PFL) or Family Leave Insurance (FLI) policies recognize the value of both maternal and paternal relationships, and thus, we anticipate that both women and men in PFL/FLI states will demonstrate an increased likelihood of paid leave-taking in the wake of policy implementation. Only one of these states—California—had a functioning paid leave policy during the time period covered by our analyses, so we focus particular attention on outcomes for residents of this state.

All results were drawn from logistic and linear regression analyses. Our analyses control for factors that may lead individuals to live in particular kinds of states, work in particular kinds of

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<sup>7</sup> The text of the question used for the analysis is as follows: "Between [last year] and [interview date], were there any periods of a full week or more during which you took any PAID leave from work with this employer because of a pregnancy or the birth of a child?" This was followed by a question on the duration of the leave.

jobs, and have differential access to and use of paid leave. These factors include respondents' wages before birth, number of work hours per week, family income relative to the poverty line, health status prior to the birth, race, family size, age, education, and marital status. They also control for state characteristics, including median family income and state unemployment rate, that may influence the use of paid leave or any outcomes associated with paid leave. Limitations in the dataset prevent us from controlling for employer attributes that could potentially lead to selection bias. Depending upon the analysis and sample in question, sample sizes ranged from a low of 258 to a high of 1,355.<sup>8</sup>

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<sup>8</sup> See Appendix B for further details on methods and for results tables.

## FINDINGS

### *EFFECTS OF STATE OF RESIDENCE ON THE LIKELIHOOD OF PAID LEAVE-TAKING*

*Public policies enable a greater proportion of women to take a paid leave in connection with the birth of a child. Specifically, controlling for other factors, women in Family Friendly states are twice as likely as women in other states to report some paid leave time following the birth of a child.*

#### *Family Friendly States*

Women who live in Family Friendly (FF) states—states with Temporary Disability Insurance (TDI) policies that allow them to take paid leave in conjunction with pregnancy and childbirth—are significantly more likely than their counterparts in other states to take a leave in connection with the birth of their child. Our findings suggest that the public policy itself may be an important factor in the decision of women, and particularly women in less affluent households, to take leave. Based on previous research, we posit that this increased likelihood of leave-taking will have positive economic impacts for these women and their families in terms of increased attachment to the labor force, increased future wages, and decreased use of public assistance.<sup>xxxiii</sup>

Of the 1,011 women who reported a birth during the period covered by our study, 42% reported taking a paid leave of some type using either employer-provided or publicly provided programs. As summarized in Table 1, the difference between rates of paid leave-taking in FF states and rates of paid leave-taking in other states was substantial, at 62% for the women in FF states and 39% for the women in other states. For women with incomes at or below 200% of the poverty level (hereafter, “low-income women”), the proportion of those reporting paid leave in FF states was double the proportion in non-FF states, at 60% and 30% respectively.

Importantly, we find the opposite to be true for unpaid leave-taking. While only 17% of women in FF states reported taking a period of unpaid leave from work following the birth of a child, a full 31% of women in other states reported taking a period of unpaid employment leave following their child’s birth.

**Table 1: Proportion of Women and Men Taking Paid Leave, With and Without Controls, Family Friendly versus Other States**

	Family Friendly States	Other States	Increase in Likelihood, FF versus Other States (without controls) <sup>9</sup>	Increase in Likelihood, FF versus Other States (with controls) <sup>10</sup>
Women	62%	39%	59%	100%
Higher-income	64%	48%	33%	No effect <sup>11</sup>
Low-income	60%	30%	100%	191%
Men	18%	19%	0%	No effect

These descriptive findings show that residence in an FF state is strongly associated with paid leave-taking among women. Still, it is possible that women who live in FF states are different from women who live in other states and that those differences, rather than residence in the state or a particular state policy, best explain the differences in use of paid leave time. To control for as many of these factors as possible and to isolate and quantify evidence for a true state policy effect, we examine the outcome of interest—whether the individual took paid leave—in regression models that control for a variety of individual- and state-level characteristics, including respondents’ wages prior to a birth, number of work hours per week, family income relative to the poverty line, health status prior to the birth, race, family size, age, education, marital status, state median income, and state unemployment rate.

Our controlled model yields even stronger results for women overall and for low-income women, strengthening the evidence that paid leave policies make a difference in whether new mothers are able to take leave following the birth of a child. In models with the full set of individual- and state-level control variables, we find that women in FF states are twice as likely (or 100% more likely) to take paid leave following the birth of a child than are women in other

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<sup>9</sup> Figures in this column represent the proportional increase in the likelihood of paid leave in Family Friendly states when compared to Other States. For example, for women, the calculation is  $(62 - 39)/39$ .

<sup>10</sup> Figures in this column were produced using multivariate logistic regression models with a full set of individual- and state-level controls. For example, the model for women suggests that new mothers in FF states are twice as likely (+100%) to take paid leave following the birth of a child than are women in other states.

<sup>11</sup> With the inclusion of control variables, the relationship between residence in an FF state and taking paid leave is not statistically significant for women with above-poverty level incomes.

states ( $p < .01$ , 847).<sup>12</sup> Among low-income women, those living in FF states are nearly three times as likely (or 191% more likely) to take paid leave than are women in other states ( $p < .01$ , 417).

The primary policy difference between FF states and non-FF states focuses on the “disabling” effects of pregnancy rather than the positive effects of bonding. Given this emphasis, it is not surprising that we found no corresponding difference in average leave rates or leave duration for men, who are not eligible for TDI in connection with the birth of a child. Eighteen percent of men in FF states reported taking a paid leave after the birth of a child, with an average leave duration of 13 days; in other states, 19% of men reported a paid leave after the birth of a child, with an average duration of 12 days.

## *California*

### **Leave Among New Mothers**

*California's Temporary Disability Insurance and Paid Family Leave programs have increased the likelihood that women in the state will take paid leave following a child's birth. Controlling for other factors, women in California are 70% more likely than women in other states to take a post-birth paid leave.*

California is the only one of the five TDI states to have had a functioning paid family leave policy—the Paid Family Leave (PFL) program—during the time period covered by our analyses. The PFL program has been providing wage replacement to workers with a bonding or care need since mid-2004, allowing us to examine differences between workers in California and those in other states as well as to examine changes in paid leave patterns among California workers before and after 2005 (the first full year of implementation). New Jersey's comparable Family Leave Insurance (FLI) program did not begin providing benefits until mid-2009, too late in the NLSY-97 data collection period for us to reasonably expect to observe policy effects.

In models with a full set of individual- and state-level control variables, we find that women who live in California are 70% more likely to report paid leave after the birth of a child than are women who live in other states ( $p < .05$ , 847).<sup>13</sup> As we might expect given that California women were eligible for a period of paid leave through TDI prior to PFL implementation, the modest annual increase in the likelihood of paid leave-taking for women is not statistically significant. By contrast, we anticipate that paid leave-taking for new fathers will increase substantially in the post-implementation period.

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<sup>12</sup> The parenthesis following each reported statistic includes the statistic's significance level and the sample size used for analysis.

<sup>13</sup> Our ability to examine sub-groups of California women by economic status is limited by the small sample sizes for these groups.

## Leave Among New Fathers

*California's Paid Family Leave program appears to be positively associated with leave-taking among new fathers. Men in California, like women, are significantly more likely to take paid family leave after the birth of a child than are men in other states. This effect is driven primarily by the period of time after implementation of the Paid Family Leave program. For the average new father in California, the predicted likelihood of taking paid family leave following a child's birth more than doubled after the implementation of the new law, from 35% in 2004 and earlier to 76% in 2005 and after.*

Given that California's PFL program recognizes the value of both maternal *and* paternal relationships, we anticipate that men will demonstrate an increased likelihood of paid leave-taking in the wake of public policy implementation. As hypothesized, we find that men in California, like women, are more likely to take paid family leave after the birth of a child than are their counterparts in other states. Importantly, the effects for men in California are driven by the period of time after implementation of the PFL program.

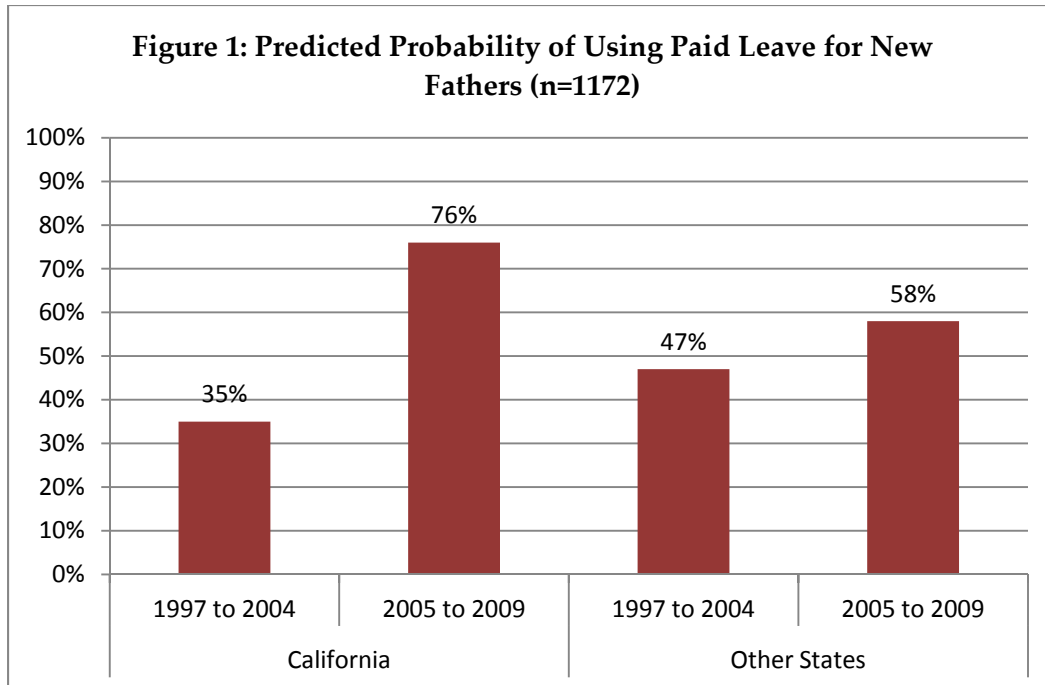
We look at the likelihood of paid leave-taking for men in models that control for year of the birth (2004 and earlier or after 2004), state of residence (California or not-California), an interaction between state of residence and year,<sup>14</sup> and the full set of individual- and state-level control variables. Then, to illustrate the relationships between living in California, the post-policy implementation period, and the likelihood that a new father will take paid leave, we generate predicted probabilities: in short, the likelihood that the average man will take paid leave under different conditions. While there is no statistically significant difference in the likelihood of paid leave-taking for men in California relative to other states in the period from 1997 to 2004, the difference in the likelihood of paid leave-taking increases sharply in California after 2004.<sup>15</sup> As shown in Figure 1, in 2004 and earlier, the probability that an average California man will take paid leave after the birth of his child is 35%. By contrast, following the implementation of PFL, the probability that a California man will take paid leave is a striking 76%. These findings provide further evidence that the state's public policy has an independent, statistically significant effect on whether men take leave from work following the birth of a child.

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<sup>14</sup> This interaction variable allows us to see whether the effects of living in California change in the post-PFL policy implementation period (i.e., after 2004). In our case, we are looking to see whether living in California *and* the post-policy implementation period *together* increase the likelihood of paid leave-taking.

<sup>15</sup> Because there is no statistically significant difference in the likelihood of paid leave-taking for men in California relative to other states in the period from 1997 to 2004, the difference in the probability of paid leave-taking for men during this period (i.e., 35% in California compared to 47% in other states) should be viewed as no different than zero.





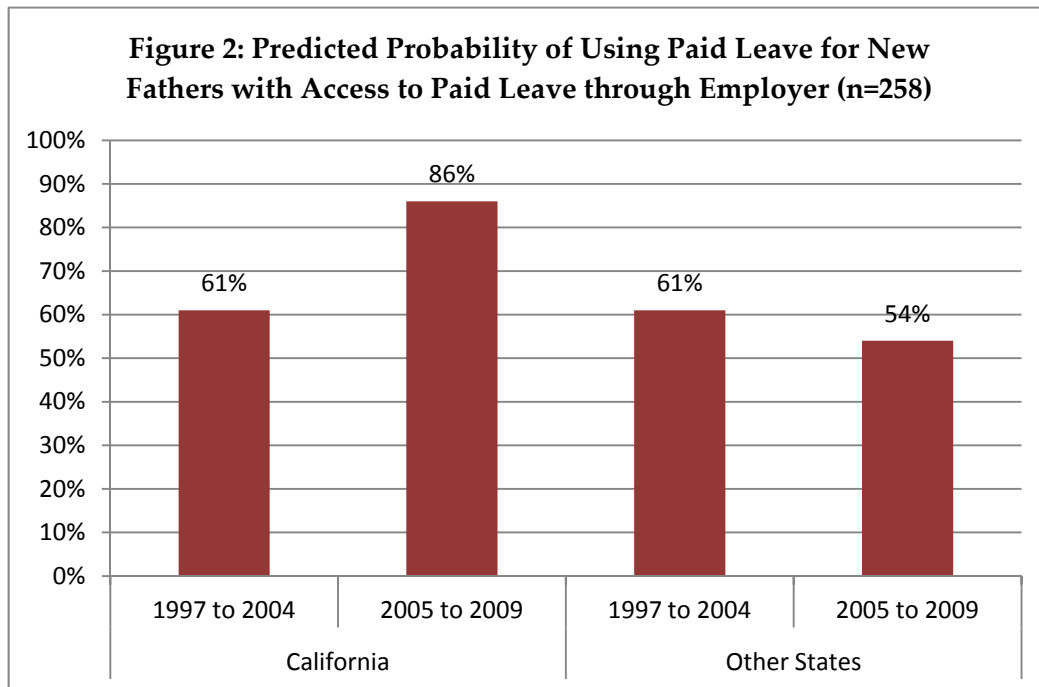
One interpretation of these findings, first articulated by Appelbaum and Milkman (2011),<sup>xxxiv</sup> is that the existence of California’s paid leave policy—one that endorses paternal leave-taking by providing wage replacement—increases leave-taking in general, whether men use the public program or are paid through their employer. It is also plausible that as men age, they become more likely to take a paid leave and that men in general are becoming more likely to take paid leave as the value of paternal nurture gains greater recognition and social acceptance. However, as described in the subsection that follows, our analysis offers evidence that leave-taking for men following the birth of a child increased after 2004 to a far greater extent in California than elsewhere, which speaks directly to the impact of the state’s public policy.

### Public Policy and Culture Change

To further explore the idea that the increase in leave-taking among California parents may reflect something beyond improved access to paid leave (e.g., the social acceptability of leave signaled via public policy), we examined whether leave-taking increased among a subsample of women and men who reported having access to paid leave at their places of work. Prior to the mid-2004 implementation of PFL in California, men’s only access to paid leave, both in California and elsewhere, was through their employers. After 2004, men in California could be reporting access to paid leave through their employer, through PFL, or both.

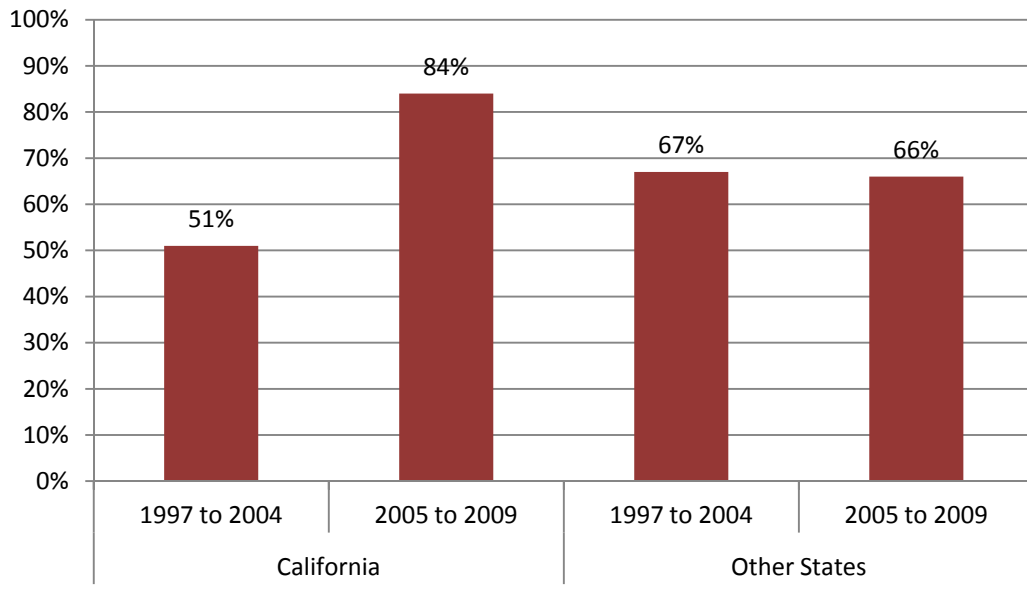
*Public policies may increase leave-taking even among new parents with access to paid leave through their employers. For a subset of new fathers who report having access to paid leave through their employer, our modeled predicted probability shows a significant increase in paid leave-taking after the implementation of California's law. The average new father in California with access to paid leave through his employer has an 86% likelihood of taking paid leave in 2005 and later, compared to a 61% likelihood in 2004 and earlier.*

For ease of interpretation, we present our results as predicted probabilities of paid leave-taking. These are the probabilities that an average worker—in this case, one who reports access to paid leave through their employers and who has average characteristics on all other model variables—will use paid leave following the birth of a child. As shown in Figure 2, among new fathers, the likelihood of paid leave-taking is highest—at 86%—for men whose children are born in California after implementation of the PFL policy. As was the case in Figure 1, the effect of living in California is statistically significant only in the post-policy implementation period, which suggests an independent impact of the state's PFL policy.



The effect for new mothers who reported access to paid leave through their employers is similarly large, positive, and statistically significant. As shown in Figure 3, for women, the likelihood of paid leave-taking is highest—at 84%—for the average new mother whose children are born in California after implementation of the PFL policy.

**Figure 3: Predicted Probability of Using Paid Leave for New Mothers with Access to Paid Leave through Employer (n=305)**



## EFFECTS OF STATE OF RESIDENCE ON THE DURATION OF PAID LEAVE-TAKING

*Women in states with Temporary Disability Insurance or Paid Family Leave programs take longer paid leaves than do workers in other states. Women in these Family Friendly states take an average of 22 days more paid leave time to recover from childbirth and/or bond with a new child than do those in other states.*

### **Family Friendly States**

Consistent with evidence that financial concerns often lead women to take shorter leaves than are desired or medically recommended, the subsample of women who took paid leave in Family Friendly (FF) states reported longer average leaves than did women in other states, at 73 days and 52 days respectively (see Table 2). For low-income women who took paid leave, the difference was smaller but perhaps even more meaningful given their shorter leaves overall; low-income women in FF states reported an average of 57 days of paid leave, while low-income women in other states reported an average of 44 days of paid leave. As previously noted, research has shown that longer leaves are associated with improvements in breastfeeding establishment, breastfeeding duration,<sup>xxxv</sup> and mental health<sup>xxxvi</sup> for women.

To assess whether the difference in women's duration of leave is statistically significant and whether it is better explained by individual- or state-level characteristics (including state public policies), we examine the relationship between state of residence and leave duration in linear regression models with a full set of controls. We find equally strong and compelling evidence that access to Temporary Disability Insurance (TDI) policies matters in these controlled models, particularly for low-income women.

As summarized in Table 2, we find that women in FF states take paid leaves that are 22 days longer than those of women in other states when other factors are taken into account ( $p < .001$ , 366).<sup>16</sup> When we divide the sample by economic status, we find effects for both low-income and higher-income mothers; living in an FF state increases the duration of paid leave by 24 days for low-income women ( $p < .05$ , 151) and by 22 days for higher-income women ( $p < .001$ , 215). As anticipated, we find no significant difference in paid leave duration for men since TDI policies, which focus only on physical recovery from childbirth, do not impact men.

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<sup>16</sup> The parenthesis following each reported statistic includes the statistic's significance level and the sample size used for analysis.

**Table 2: Average Duration of Paid Leave for Women and Men, With and Without Controls, Family Friendly versus Other States**

	Family Friendly States	Other States	Difference Between FF and Other States (without controls)	Difference Between FF and Other States (with controls)
Women	73 days	52 days	+21	+22
Higher-income	76 days	52 days	+24	+22
Low-income	57 days	44 days	+13	+24
Men	13 days	12 days	+1	No effect

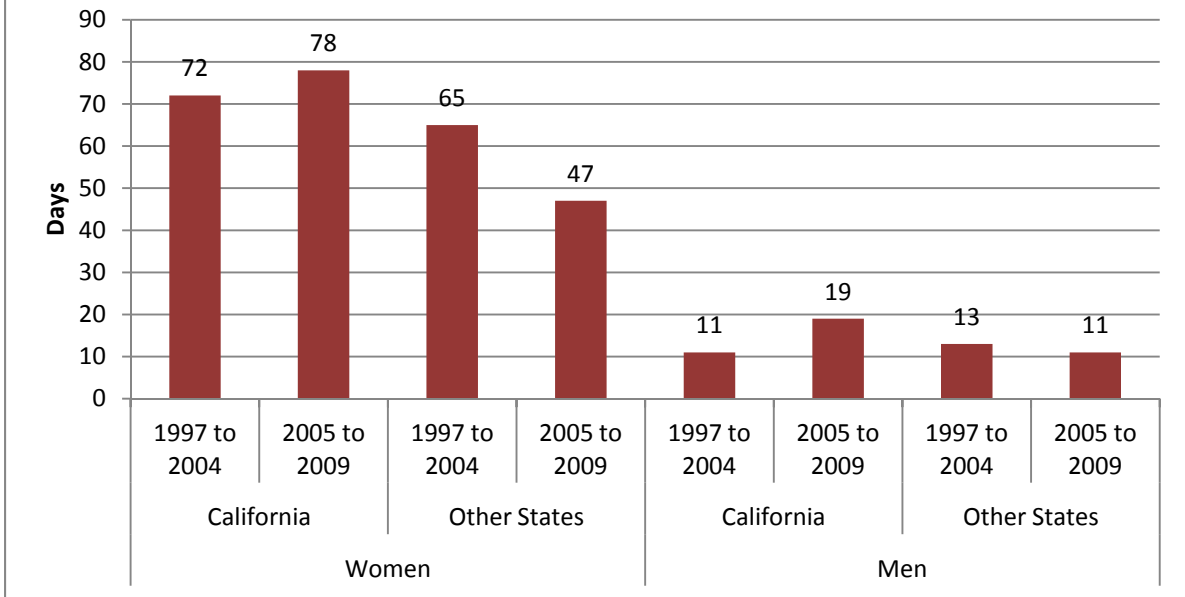
### *California*

Because California’s Paid Family Leave (PFL) program effectively extends the paid time off available to women through TDI to encompass not only the time required for physical recovery from childbirth but also the time needed for bonding and for fulfilling the care needs of a new child, we might expect the duration of paid leave to increase for both women and men in the post-PFL implementation period. As suggested by the models for all FF states, California’s TDI program allowed new mothers in California to take longer paid leaves than their counterparts in other states even prior to PFL implementation. With the mid-2004 implementation of PFL, the amount of paid leave time available through public policy increased to encompass bonding; thus, we might expect an even larger difference in paid leave duration between California and other states after 2004. Indeed, we find that both women and men in California have statistically significantly longer paid leaves than do their counterparts in other states, with the differences attributable primarily to the post-2004 period.

To illustrate the impact of living in California after PFL implementation, we report results from models that control for year of the birth (2004 and earlier or after 2004), state of residence (California or not-California), an interaction between state of residence and year,<sup>17</sup> and the full set of individual- and state-level control variables. We then predict the duration of paid leave for the average new mother and the average new father (Figure 4). In both cases, paid leaves are longest for parents whose children are born in California after PFL implementation.

<sup>17</sup> This interaction variable allows us to see whether the effects of living in California change in the post-PFL policy implementation period (i.e., after 2004). In our case, we are looking to see whether living in California *and* the post-policy implementation period *together* increase the duration of paid leave for women and men.

**Figure 4: Predicted Duration of Paid Leave for All Women (n=362) and All Men (n=213)**



## ***EFFECTS OF STATE OF RESIDENCE AND PAID LEAVE ON ECONOMIC OUTCOMES***

Ample research demonstrates the positive impacts of paid leave-taking on the health and economic security of U.S. workers and their families. The results reported in this paper suggest that public policies are creating opportunities for more workers to take paid leave and, by extension, to experience the economic and health benefits that come with it.

This section elaborates further on the economic benefits of paid leave for women and their families in the 9–12 months following a child’s birth as well as associated benefits to the public. It extends the work documented in our first report, *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*, by re-examining the relationships between paid leave and the receipt of public assistance for women in Family Friendly (FF) states compared to women in other states. We compare women who took paid leave both with women who continued working post-birth with no leave whatsoever and with women who took unpaid leave following a child’s birth. The results reported in this section were generated using logistic or linear regression analyses to model the relationships among public assistance receipt and paid leave, living in an FF state, and the interaction between paid leave and living in an FF state. Each model also included a set of individual- and state-level characteristics including respondents’ wages prior to the birth, number of weekly work hours, family income relative to the poverty line, health status prior to the birth, race, family size, age, education, marital status, state median income, and state unemployment rate.

Results reported in this section will differ from those reported in our earlier work because they take into account several additional factors: whether the woman lived in a state with a Temporary Disability Insurance (TDI) policy at the time of her child’s birth, that state’s unemployment rate, and that state’s median family income. The inclusion of these control variables gives us a clearer read on the relationship between paid leave-taking and public assistance receipt for women following the birth of a child.

*Women, particularly low-income women, who take paid leave and then return to work report a lower likelihood of receiving any public assistance, fewer dollars in public assistance, and a lower likelihood of receiving food stamp (Supplemental Nutrition Assistance Program, or SNAP) income than do women who continue working and take no leave whatsoever in the year following the birth of their child. The protective effects of paid leave are particularly pronounced in states that have Temporary Disability Insurance programs.*

To date, no federal funding has gone into providing wage replacement for family leave or to incentivizing employers or states to develop their own leave programs. Our research suggests that providing paid leave may, in fact, be a wise public investment. Women who take paid leave

are less likely to rely on public assistance or food stamps; this is particularly true in states that have TDI programs. By contrast, too often the financial consequences of having parents quit jobs or take unpaid family leaves are paid out in public dollars, most directly in the form of “welfare” or public assistance. According to a 2000 survey of family leave-taking, almost one-tenth of workers using unpaid leave after the birth of a child under the Family and Medical Leave Act used public assistance during their leave.<sup>xxxvii</sup>

We reported in *Pay Matters* that women who take paid family leave are 39% less likely to report public assistance receipt and 40% less likely to report food stamp (Supplemental Nutrition Assistance Program, or SNAP) receipt in the year following the child’s birth when compared with those who keep working and take no leave whatsoever. Our current study replicates these results, taking into account state of residence, state unemployment rate, and state median income. Incorporating these additional factors, we confirm our previous findings that in the year following the birth of their child, women who take paid leave report a lower likelihood of receiving any public assistance, fewer dollars in public assistance, and a lower likelihood of receiving SNAP income than do women who take no leave whatsoever. We further find that residence in a state with a functioning TDI policy has both independent and additive protective effects against receipt of public assistance following the birth of a child.

Ten percent of new mothers in FF states reported receipt of some form of public assistance following the birth of a child, receiving, on average, \$358 in benefits. By contrast, nearly a quarter (24%) of new mothers in non-FF states reported receipt of some form of public assistance, receiving, on average, \$749 in benefits. Differences in receipt of SNAP income were similarly large, with a rate of only 9% for those in FF states compared with 22% for those in non-FF states.

When we examine models with the full series of individual- and state-level control variables, we find that women who take a paid leave in connection with the birth of a child are 38% less likely than women who continue working without taking leave ( $p < .10$ , 847),<sup>18</sup> and 38% less likely than women who take unpaid leave ( $p < .10$ , 847), to have any public assistance income in the year following a child’s birth. As suggested by the average differences reported in the preceding paragraph, state of residence matters as well. New mothers living in an FF state are 59% less likely than those not living in an FF state to report public assistance income in the year following a child’s birth ( $p < .10$ , 847).

We further find that new mothers who take paid leave report \$467 less in public assistance income in the year following a child’s birth than do those who continue working after their child’s birth without taking any leave ( $p < .01$ , 847). Those who live in FF states report \$577 less in public assistance income in the year following a child’s birth than do those in other states ( $p < .01$ , 847). Moreover, among new mothers living in FF states, those who take paid leave report \$134 less in public assistance income than do those who continue working with no leave at all ( $p < .10$ ,

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<sup>18</sup> The parenthesis following each reported statistic includes the statistic’s significance level and the sample size used for analysis.



847). In other words, while both taking a paid leave and living in an FF state independently reduce the amount of public assistance income received by new mothers after a birth, the expected amount of public assistance income is lowest of all for women in FF states who take paid leave (see Appendix B, Table 9).

We find similarly protective effects when we examine relationships between paid family leave-taking and receipt of SNAP income. Specifically, new mothers who take a paid leave are 38% less likely than women who keep working and take no leave whatsoever to have any SNAP income in the year following a child's birth ( $p < .10$ , 845). New mothers living in an FF state are 53% less likely than those not living in an FF state to report SNAP income in the year following a child's birth ( $p < .10$ , 845).

Not surprisingly given the policy mechanisms under examination, we find particularly strong and significant effects of paid leave-taking on the economic well-being of working low-income women. Low-income women who take a paid leave in connection with the birth of a child report \$660 less in public assistance income than do women who keep working without taking any leave at all ( $p < .05$ , 417) and \$505 less in public assistance income than do women who take an unpaid leave ( $p < .05$ , 417). We further find that low-income women who live in FF states report receiving \$815 less in public assistance in the year following a child's birth than do those in other states ( $p < .10$ , 417) (see Appendix B, Table 9).

Similar relationships emerge when we shift our focus to SNAP income. Low-income women who take a paid family leave are 43% less likely than those who take unpaid leave to have any SNAP income in the year following a child's birth ( $p < .10$ , 405). They are 63% less likely than those with no leave ( $p < .05$ , 406) and 62% less likely than those with unpaid leave to report an increase in SNAP income after the birth ( $p < .05$ , 406).

## CONCLUSION

Prior research links paid leave to numerous and diverse health and economic benefits. This report adds to the existing literature by demonstrating that public policies increase workers' use of the paid leave that ultimately leads to these benefits.

In five states—those that we refer to as Family Friendly (FF) states—Temporary Disability Insurance (TDI) policies have been used for many decades to provide wage replacement for women before and after the birth of a child. We find that residence in one of these states does indeed increase the use of paid leave as well as leave duration, particularly for low-income women who may otherwise be unable to afford any leave-taking whatsoever. Moreover, residence in an FF state, considered both alone and in conjunction with paid leave-taking, lowers the likelihood that women will receive public assistance or SNAP income following a child's birth.

In California, the only state that operated a Paid Family Leave (PFL) insurance program during the time period covered by our study, both women and men are far more likely to take paid family leave to care for a new child than are women and men in other states. The number of days of paid leave these new parents take is also significantly greater than the duration of paid leaves reported by residents of other states. Because California's PFL program was implemented mid-way through the years of data collection under analysis, we have a unique opportunity to compare paid leave usage before and after policy implementation. We find that paid leave-taking for California women—and, to an even greater extent, men—increased significantly in the years following the 2004 implementation of the PFL program. This alone provides important evidence of a direct policy effect.

In addition, we find support for a policy effect mechanism suggested by Eileen Appelbaum and Ruth Milkman (2011) in their groundbreaking study of California's PFL program: namely, that public policies signal a degree of social acceptability and public investment that may increase leave-taking even among those who do not utilize the public PFL programs available to them.<sup>xxxviii</sup> We find that among both men and women with access to paid leave, whether through an employer or through public policy, actual use of that leave is far higher in California since implementation of the PFL program than it was in California prior to program implementation or elsewhere at any time.

Of course, increases in the use of paid leave, whether brought about by public policy or some other mechanism, are praiseworthy only if they usher in some other good for workers, businesses, or the public. Thus, our current work should be viewed in the context of a rich catalogue of research linking paid leave-taking to positive health and economic benefits for women and children<sup>xxxix</sup> and to newer research suggesting positive benefits for businesses and the public as well.<sup>xl</sup>

If the implementation of paid leave policies leads to greater employee use of leave and to longer leave durations, employers will undoubtedly be affected and may well be concerned about the degree and nature of impact. Their concerns, which warrant continued attention, were among the focal points of Appelbaum and Milkman's (2011) California PFL study. Through their survey of 253 private companies and nonprofit organizations in California, Appelbaum and Milkman (2011) have provided an important window into both employee and employer views of the PFL policy. Specifically, most employers noted that "...PFL had either a 'positive effect' or 'no noticeable effect' on productivity (89%), profitability/performance (91%), turnover (96%), and employee morale (99%)."<sup>xli</sup> Indeed, the great majority of employers reported either cost savings or no additional costs of PFL implementation because they temporarily assigned the work of employees on leave to other employees or hired temporary replacements. Importantly, California employers have been able to coordinate their own benefits with those of the state program, resulting in savings to employers when employees use PFL either instead of or in combination with employer-provided benefits such as paid sick leave, disability insurance, specified family leave, or vacation.

Despite these gains, Appelbaum and Milkman's findings also support concerns that the California paid family leave program is underutilized and that employee awareness of the program is low. Even though Appelbaum and Milkman's worker survey was given only to those who had experienced a PFL-triggering event, fewer than half of those interviewed knew that the program existed. Awareness was lowest among those who might be expected to need wage replacement the most, including low-wage workers, immigrants, and Latinos.<sup>xlii</sup> The fact that Family Leave Insurance (FLI) claims in New Jersey are about 25% fewer than originally anticipated suggests that New Jersey workers may face obstacles to participation that are similar to those in California, including lack of awareness about the program and concerns about the possibility of leave-taking having a negative career impact. For public policies to be effective at broadening access to paid leave and its attendant health and economic benefits, the awareness of existing programs must be expanded, and the stigmatization of both leave-taking and caregiving must be addressed.

Both California and New Jersey have seen increases in the use of their PFL and FLI programs over the years since implementation, and an emerging body of research demonstrates its positive effects for workers, families, and businesses. States should be encouraged to explore a variety of paid leave policy options through federal investment in start-up. Moreover, and in keeping with the model of states as policy laboratories, further examination of state programs such as California's PFL and New Jersey's FLI should be used to inform discussions about creating a federal paid family and medical leave insurance program. While enacting paid leave policies would involve public and employer investment, our findings suggest that the benefits of paid leave for workers, families, and employers make such investments worthwhile.

## APPENDIX A

### *The Family and Medical Leave Act*

Under the Family and Medical Leave Act (FMLA), qualifying employees are eligible for 12 weeks of unpaid, job-protected leave annually “for the birth and care of the newborn child of an employee; for placement with the employee of a child for adoption or foster care; to care for an immediate family member (spouse, child, or parent) with a serious health condition; or to take medical leave when the employee is unable to work because of a serious health condition.”<sup>xliii</sup> In 2008, amendments to the FMLA authorized leaves of up to 26 weeks for family members caring for an injured service member and up to 12 weeks for military family members addressing “qualifying exigency” needs arising from the deployment of a service member.

The FMLA applies only to certain categories of employees, specifically public and private sector employees who have worked for the same employer, in a company of 50 or more employees, for at least 1,250 hours over a minimum of 12 months. Time taken off due to pregnancy complications can be counted against the 12 allowable weeks under federal law, although some states provide more generous leave to new and expecting mothers as well as to new fathers.<sup>xliv</sup>

### *California's Paid Family Leave Program*

California's Paid Family Leave (PFL) program was created in 2002 and has been delivering partial pay to workers during family leaves since July of 2004. The program operates through the state's Short-term Disability Insurance (SDI) program, which typically (depending upon physician recommendation) allows women up to 4 weeks of paid pregnancy disability leave before birth along with up to 6 weeks of paid leave after birth for a vaginal delivery or up to 8 weeks for a Cesarean delivery.<sup>xlv</sup> Unused pre-delivery leave time cannot be saved for use after the birth. The PFL program then builds upon SDI to provide up to 6 additional weeks postpartum for infant bonding. While the PFL program itself does not provide job protection, workers covered by the FMLA or by a state antidiscrimination or leave law must be reinstated into the same or an equivalent position and cannot be retaliated against for taking family leave.

California's PFL program is available to both women and men and provides partial wage replacement to workers when they take time off for bonding with a newborn or newly adopted child or to care for certain family members with serious health conditions. Wage replacement is set at 55% of the individual's average weekly earnings, with a maximum payment of \$987 per week in 2011. As noted above, the PFL program operates as a form of leave insurance; in 2012, workers will pay a 1% payroll tax on the first \$95,585 of earned income to cover both SDI and PFL premiums.<sup>xlvi</sup> To be eligible for PFL, workers must show earnings of at least \$300 for any 3 months within the 5 to 17 months prior to the PFL claim.<sup>xlvii</sup>

### *New Jersey's Family Leave Insurance Program*

In 2009, New Jersey began providing paid family leave under its Family Leave Insurance (FLI) program. As in California, New Jersey's FLI is an extension of its pre-existing Temporary Disability Insurance (TDI) program. For up to 12 months following a birth or adoption, or at any time for the care of a seriously ill family member, women and men in New Jersey are eligible for 6 weeks of partial wage replacement for family leave. Job protection is provided for eligible workers under the FMLA or other applicable state law. Wage replacement is set at two-thirds of the individual's average weekly wage, up to \$559 per week in 2011.

The tax and wage bases used to calculate FLI premiums vary from year to year due to fluctuations in the FLI fund balance and program usage. For example, in 2009, workers paid 0.09% on a taxable wage base of \$28,900 with the maximum yearly contribution set at \$26.01. In 2012, workers are paying 0.08% on a taxable wage base of \$30,300 with a maximum yearly contribution of \$24.24.<sup>xlviii</sup>

Employees who have worked 20 calendar weeks in covered employment and have earned at least \$145 per week or \$7,300 per year during the 52 weeks preceding the leave are eligible for FLI.<sup>xlix</sup>

## Appendix B

### *Details of Methodology*

The findings detailed in this brief were drawn from a subsample of the National Longitudinal Survey of Youth (NLSY), 1997 to 2009 Panel, with state identifiers. This subsample included women and men ages 30 and under who reported a child's birth and at least 20 hours per week of work in the 3–4 months prior to the birth. In addition, they either (1) took a paid leave and returned to work for an average of 20 hours or more per week by months 9–12 after the birth; (2) took an unpaid leave and returned to work for an average of 20 hours or more per week by months 9–12 after the birth; or (3) did not take leave and reported working an average of 20 hours or more per week in months 1–4 after the birth.

Separate analyses were conducted for women and for men as well as for subgroups of women, including those whose family incomes are above and below 200% of the federal poverty line (in keeping with prevailing definitions of “working low-income” families).<sup>i</sup>

The findings detailed in this brief were drawn from logistic and linear regression analyses. Ordinary least squares (OLS) models were used to examine the relationship between state of residence and duration of paid family leave as well as the effects of paid family leave on total public assistance income after a child's birth (measured as the average monthly income from all sources of public assistance in the one-year period following the birth).

Logistic regression analyses were used to examine the following dichotomous indicators:

- Whether the individual reported taking paid family leave after the birth of a child
- Whether the individual reported public assistance receipt in the year after the birth
- Whether the individual reported food stamp receipt in the year after the birth

All models included a series of control variables designed to capture individual-level job characteristics and demographic indicators, including respondents' wages before birth, number of work hours per week, family income relative to the poverty line, health status prior to the birth, race, family size, age, education, and marital status. Models also included controls for state of residence and two indicators of state affluence and economic conditions: median family income and state unemployment rate. We ran a series of Heckman selection models to determine whether missing outcome data pose a problem for the analyses and found no evidence for this. We used robust cluster standard error estimators to account for multiple births to the same individual over the period under examination, 1997 to 2009.

The dataset does not include information on employer attributes. Our inability to control for such attributes adds to the risk of selection bias or the possibility that those with paid leave or

their employers differ from those with unpaid or no leave in ways that are insufficiently accounted for in our models.

Family Friendly states in the tables below are: California, Hawaii, New Jersey, New York, and Rhode Island.

### *Tables of Results*

**Table 3: Weighted Means, Women**

<b>Characteristic</b>	<b>Family Friendly States (n=182)</b>	<b>Other States (n=829)</b>
Better health	28%	24%
Worse health	24%	29%
Less depressed	20%	16%
More depressed	16%	19%
Total public assistance income	\$357.94	\$749.40
Public assistance receipt	10%	24%
Increase in public assistance income	9%	21%
Food stamp receipt	9%	22%
Increase in food stamp receipt	6%	10%
Change in wage	\$0.49	\$0.47
Increase in wage	56%	56%
Decrease in wage	43%	44%
Paid leave	62%	39%
Paid leave time	73.18	51.57
Short paid leave	7%	10%
Long paid leave	53%	29%
Unpaid leave	17%	31%
No leave; full-time worker	14%	17%
No leave; part-time worker	7%	11%
Age	22.43	22.17
Race		
White	54%	70%
Black	20%	22%
Other	26%	8%
Family money-to-needs standard	3.11	2.84
Weekly hours of work prior to birth	36.41	36.30
Education level		
Less than high school	18%	14%
High school diploma	65%	68%
Associate degree	5%	5%
College degree and beyond	11%	12%
Number of children in household	1.56	1.71
Married at time of birth	35%	44%
Poor health prior to birth	8%	5%

**Table 4: Weighted Means, Men**

Characteristic	Family Friendly States (n=240)	Other States (n=1,116)
Better health	21%	22%
Worse health	27%	27%
Less depressed	16%	15%
More depressed	12%	17%
Total public assistance income	\$420.32	\$402.15
Public assistance receipt	13%	13%
Increase in public assistance income	9%	11%
Food stamp receipt	12%	12%
Increase in food stamp receipt	4%	5%
Change in wage	\$1.86	\$1.12
Increase in wage	60%	53%
Decrease in wage	40%	47%
Paid leave	18%	19%
Paid leave time	13.34	11.76
Short paid leave	16%	17%
Long paid leave	2%	2%
Unpaid leave	3%	2%
No leave; full-time worker	66%	66%
No leave; part-time worker	12%	13%
Age	22.54	22.40
Race		
White	59%	69%
Black	13%	21%
Other	28%	10%
Family money-to-needs standard	3.44	2.76
Weekly hours of work prior to birth	46.53	46.36
Education level		
Less than high school	23%	24%
High school diploma	64%	66%
Associate degree	8%	3%
College degree and beyond	4%	6%
Number of children in household	1.56	1.60
Married at time of birth	41%	44%
Poor health prior to birth	6%	6%



**Table 5: Logistic Regression of Use of Paid Leave Following a Child’s Birth, for Women in Family Friendly States Compared with Those in Other States**

Variable Name	All Women	Women Above Poverty	Women Below Poverty
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
Family Friendly state	2.00 (.46)**	1.60 (.54)	2.91 (1.05)**
State unemployment rate	1.01 (.07)	1.11 (.13)	.89 (.10)
State median family income	1.00 (.00)	1.00 (.00)	1.00 (.00)
Age	1.03 (.06)	1.02 (.09)	1.06 (.09)
Race			
Black	1.21 (.22)	1.43 (.40)	1.24 (.32)
Other	1.15 (.27)	1.49 (.45)	.98 (.37)
(White)			
Wage prior to birth	1.00 (.00)	1.00 (.00)	1.00 (.01)
Family money-to-needs standard	1.02 (.03)	1.00 (.03)	1.19 (.25)
Weekly hours of work prior to birth	1.01 (.01)+	1.02 (.01)	1.00 (.01)
Education level			
High school diploma	1.39 (.34)	1.03 (.49)	1.72 (.56)+
Associate degree	1.15 (.48)	1.35 (.89)	.89 (.53)
College degree and beyond	2.33 (.87)	1.50 (.86)	2.38 (1.68)
(Less than high school)			
Number of children in household	.77 (.08)**	.50 (.08)***	1.07 (.15)
Married at time of birth	1.26 (.21)	1.20 (.28)	1.37 (.36)
Poor health prior to birth	1.06 (.34)	.94 (.67)	1.13 (.40)
Year of the birth	1.05 (.06)	1.12 (.09)	.94 (.08)
<i>N</i>	847	430	417
<i>Pseudo R</i> <sup>2</sup>	.06***	.09***	.04

NOTE: Two-tailed significance tests: + p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001.

**Table 6: Ordinary Least Squares Regression of Duration of Paid Leave Following a Child's Birth, for Women in Family Friendly States Compared with Those in Other States**

Variable Name	All Women	Women Above Poverty	Women Below Poverty
	Coefficient (SE)	Coefficient (SE)	Coefficient (SE)
Family Friendly state	21.82 (6.34)***	21.76 (7.41)***	24.06 (12.58)*
State unemployment rate	4.85 (2.17)*	3.46 (2.72)	7.06 (3.30)*
State median family income	.00 (.00)	.00 (.00)	-.00 (.00)
Age	2.23 (1.93)	1.31 (1.87)	2.83 (3.28)
Race			
Black	3.67 (5.18)	-1.70 (5.89)	10.12 (8.95)
Other	1.30 (8.19)	-2.54 (8.89)	2.27 (18.53)
(White)			
Wage prior to birth	.27 (.23)	.17 (.20)	1.73 (1.18)
Family money-to-needs standard	-.06 (.56)	.11 (.59)	-8.51 (7.51)
Weekly hours of work prior to birth	-.32 (.29)	-.55 (.41)	.04 (.44)
Education level			
High school diploma	-2.42 (12.20)	6.43 (10.59)	-7.03 (16.19)
Associate degree	-12.54 (13.15)	4.81 (12.29)	-36.92 (25.48)
College degree and beyond	-1.33 (12.37)	13.10 (11.78)	-19.40 (17.81)
(Less than high school)			
Number of children in household	-2.36 (5.11)	-4.82 (3.90)	-2.35 (8.35)
Married at time of birth	5.00 (4.75)	3.06 (6.15)	15.42 (9.43)+
Poor health prior to birth	10.67 (18.80)	22.96 (16.71)	4.06 (25.54)
Year of the birth	-3.61 (2.03)+	-3.19 (1.94)+	-1.81 (1.62)
<i>N</i>	375	215	151
<i>R</i> <sup>2</sup>	.11***	.16**	.08+

NOTE: Two-tailed significance tests: +  $p < 0.10$ , \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$ .

**Table 7: Logistic Regression of Use of Paid Leave  
Following a Child's Birth, for Women and Men in California  
Compared with Those in Other States**

Variable Name	Women	Men
	Coefficient (SE)	Coefficient (SE)
California	1.70 (.46)*	.61 (.65)
Year after 2004		1.56 (.29)
California*Year interaction		3.93 (.68)*
State unemployment rate	1.04 (.08)	.86 (.09)+
State median family income	1.00 (.00)+	1.00 (.00)
Age	1.03 (.06)	1.10 (.05)+
Race		
Black	1.24 (.22)	.80 (.22)
Other (White)	1.17 (.27)	1.06 (.26)
Wage prior to birth	1.00 (.00)	1.00 (.00)
Family money-to-needs standard	1.02 (.03)	.97 (.03)
Weekly hours of work prior to birth	1.01 (.01)+	1.00 (.01)
Education level		
High school diploma	1.30 (.32)	1.52 (.25)+
Associate degree	1.19 (.48)	1.26 (.41)
College degree and beyond (Less than high school)	2.18 (.81)*	4.35 (.39)***
Number of children in household	.76 (.08)**	.84 (.11)
Married at time of birth	1.23 (.20)	1.79 (.19)**
Poor health prior to birth	1.11 (.36)	.84 (.36)
Year of the birth	1.06 (.06)	
N	847	1,172
Pseudo R <sup>2</sup>	.05***	.10***

NOTE: two-tailed significance tests: + p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001.

**Table 8: Ordinary Least Squares Regression of Duration of Paid Leave Following the Child's Birth, for Women in California Compared with Those in Other States**

Variable Name	Women	Men
	Coefficient (SE)	Coefficient (SE)
California	6.52 (14.74)	-2.57 (4.60)
Year after 2004	-18.26 (8.52)*	-1.94 (2.92)
California*Year interaction	24.77 (13.13)+	9.96 (4.84)*
State unemployment rate	3.90 (2.40)	.65 (.69)
State median family income	.00 (.00)	-.00 (.00)
Age	1.58 (1.42)	.16 (.49)
Race		
Black	4.40 (5.59)	-.93 (1.75)
Other	0.44 (9.08)	-.11 (1.69)
(White)		
Wage prior to birth	.23 (.24)	.10 (.01)
Family money-to-needs standard	-.26 (.62)	-.26 (.37)
Weekly hours of work prior to birth	-.35 (.29)	.05 (.07)
Education level		
High school diploma	-5.86 (12.05)	3.75 (2.54)
Associate degree	-12.74 (13.33)	7.92 (4.41)+
College degree and beyond	-2.70 (12.46)	4.79 (3.01)
(Less than high school)		
Number of children in household	-3.39 (5.01)	-.37 (.70)
Married at time of birth	4.48 (4.60)	-2.17 (1.50)
Poor health prior to birth	15.59 (19.18)	-3.66 (1.90)*
N	366	213
R <sup>2</sup>	.11***	.13**

NOTE: Two-tailed significance tests: + p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001.

**Table 9: Ordinary Least Squares Regression of Public Assistance Income Following the Child's Birth, for Women in Family Friendly States Compared with Those in Other States**

Variable Name	All Women Coefficient (SE)	Low-Income Women Coefficient (SE)
Family Friendly state	-577 (228)**	-815 (425)+
Paid leave	-467 (185)**	-660 (300)*
Family Friendly state*Paid leave interaction	443 (266)+	699 (546)
Unpaid leave	-280 (187)	-155 (283)
State unemployment rate	4 (69)	4 (101)
State median family income	0 (0)	0 (0)
Age	-17 (47)	-3 (77)
Race		
Black	398 (159)**	384 (236)
Other	-5 (193)	432 (400)
(White)		
Wage prior to birth	-1 (1)*	-7 (2)***
Family money-to-needs standard	-40 (16)**	-617 (180)***
Weekly hours of work prior to birth	0 (5)	5 (10)
Education level		
High school diploma	-794 (273)***	-625 (341)+
Associate degree	-979 (319)***	-508 (499)
College degree and beyond	-938 (294)***	-1069 (435)**
(Less than high school)		
Number of children in household	473 (124)***	584 (173)***
Married at time of birth	-96 (137)	-328 (246)
Poor health prior to birth	474 (260)+	288 (289)
N	847	417
R <sup>2</sup>	.17***	.18***

NOTE: Two-tailed significance tests: + p<0.10, \* p<0.05, \*\* p<0.01, \*\*\* p<0.001.

# Endnotes

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