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D.C.'s 16-week family leave plan would be most generous in U.S.

By Aaron C. Davis October 5 at 9:11 PM

The District would become the most generous place in the country for a worker to take time off after giving birth or to care for a dying parent under a measure supported by a majority of the D.C. Council.

Under the <u>legislation that will be introduced</u> Tuesday, almost every part-time and full-time employee in the nation's capital would be entitled to 16 weeks of paid family leave to bond with an infant or an adopted child, recover from an illness, recuperate from a military deployment or tend to an ill family member.

The broad new worker benefit, enthusiastically supported by the Obama administration, would be paid from a fund created by a new tax on D.C. employers. The benefit would dwarf family-leave assistance in all 50 states and would also mark a step toward benefits offered by most European countries, where parents can take as much as a year of paid time off following the birth of a child.

The measure also could soon mark a rare legislative victory in Washington for President Obama — not on Capitol Hill, but down Pennsylvania Avenue inside city hall.

The administration has spent years watching its ideas to address rising income inequality fall flat in Congress amid partisan gridlock. The proposed measure amounts to a new strategy in executive branch workarounds: using local law to forge a policy bulkhead for bigger changes nationally. Supporters said the bill would help to address the widening gap between rich and poor by helping families take time off when they otherwise couldn't make ends meet.

"The Obama administration has realized the action is on the state and local level, and they gave us the money to model how this could actually work," said D.C. Council member Elissa Silverman (I-At Large), one of the lead supporters of the measure. "We now have a national platform and a great opportunity with this legislation to show how it can be done."

The measure is the first major legislative product to flow from a grant program that U.S. Labor Secretary Thomas Perez has openly advertised as an end run on a Republican-controlled Congress, which, when it comes to worker compensation, has declined to take up the issue of a stagnated federal minimum wage.

"The United States is one of the few countries on Earth without national paid leave. Fortunately, we have seen remarkable progress . . . where innovative state and local officials are designing paid-leave policies that work for their citizens," Perez said last week in a statement.

The D.C. Chamber of Commerce on Monday pushed back against the proposal, saying in a letter to the council that the business community has not been privy to the Department of Labor-funded research used to develop the legislation. The group warned that an entirely employer-funded family-leave program "would be unprecedented and make the District of Columbia dangerously uncompetitive."

But an increasingly liberal D.C. Council has pushed the issue to the forefront and with greater force than even some Obama administration officials expected.

The D.C. legislation would more than double the length of any paid-leave program in the country. Only three states have enacted such laws over the past 10 years. Currently, the maximum benefit is six weeks of partial paid leave in New Jersey and California.

The District would offer 16 weeks and unprecedented coverage for workers' salaries and hourly wages: 100 percent of pay for those making up to \$52,000 a year.

Employees who earn more than that would be eligible for \$1,000 a week plus 50 percent of their additional income, up to a maximum of \$3,000 per week.

Almost all D.C. employees would be eligible. The only ones excluded would be residents of Maryland and Virginia who work for the federal government, because the city could not compel it to participate. District employees of the federal government and federal contractors could opt into the system and pay a small fee to participate.

The plan would be paid for with a first-of-its-kind new levy on D.C. employers, akin to a state unemployment insurance pool.

Every D.C. employer would be required to pay into the fund on a sliding scale. Law firms, lobbying groups and others with the District's highest-paid workers would pay the equivalent of 1 percent of the salaries of employees who earn above \$150,000, or about \$1,500 annually per worker.

On the low end, employers of minimum wage workers, who now earn \$10.50 per hour, would have to contribute 0.6 percent of each worker's pay, or about \$131 per employee per year.

"It's a very cost-effective program, it doesn't require a lot of money to provide a whole lot of benefit," said Jeffrey Hayes, study director for the Institute for Women's Policy Research, the D.C. nonprofit organization that the District hired with its \$96,000 Labor Department grant to model the plan.

Hayes used a series of sophisticated simulations to help determine how the District could afford to offer paid family leave for nearly all workers — full-time and part-time, and especially lowincome workers.

Silverman and council member David Grosso (I-At Large), who pushed the measure for months behind the scenes, recently attended a symposium led by the Labor Department where the District's efforts were lauded for helping to "push the needle" on family-leave law.

At the symposium, Perez announced the Obama administration would triple its grants for similar work, to a total of \$2 million. It is behind efforts in 12 states and local governments nationwide to spur family leave laws.

Grosso last month took the plan before dozens of members of the local Chamber of Commerce and argued that it would make D.C. employers more competitive regionally because it would create loyalty to the District, compared with Maryland and Virginia, which have no statewide paid-family-leave programs. A handful of businesses have signed on in support, while others have said the plan would create burdens on companies to find temporary help if the paid leave entices more employees to utilize family leave already allowed under federal law.

But Grosso's pitch to colleagues has primarily been focused on the bill as a partial solution to growing wage disparities. He has argued that family leave should not become the domain of the wealthy.

"The fact of the matter is, if you're making less than \$1,000 a week, you can't make ends meet on a fraction of your pay. You can't afford to take that leave," said Grosso, chairman of the council's education committee.

He pointed to research that men who care for their children as infants are more likely to be a bigger part of their kids' lives later on.

"In this country, we really don't reward strong families the way we should," Grosso said. Like most other council sponsors of the bill, he does not have any children but said he and his mother had to stagger shifts years ago to care for a terminally ill grandmother.