

Memo To:House Labor CommitteeFrom:Angela Lima, Policy and Advocacy Program DirectorDate:Apr 8, 2025Regards:Support for Bills H-6066

Women's Fund of Rhode Island (WFRI) is a nonprofit organization whose mission is to invest in women and girls through advocacy, research and strategic partnerships designed to achieve gender equity through systemic change. We are expressing our strong **support for H-6066 which would expand the definition of a caregiver, increase taxable wages to increase the threshold for more people to utilize paid leave.** 

Women's Fund of Rhode Island supported the creation of the TCI program (aka paid family leave), launched in 2014. While at the time, RI was hailed as a frontrunner in paid family leave, since that time, we have seen many other states provide significantly more robust benefits for caregivers. Today, Rhode Island has the lowest wage replacement for users of the benefit. This creates equity and access issues, particularly for low income workers who are also less likely to have other benefits available to them.

<u>Research</u> by KFF (a leader in health policy analysis) indicates that access to paid family leave is associated with improved physical and mental health for new parents, decreased infant mortality, financial security for caregivers in the short and long term, and improved connections to the workforce, particularly for women, who are more likely than men to be caregivers for their children and older adults.

Nationally, only 25% of employers offer paid parental leave to at least some employees for the birth or placement of a child. Paid leave benefits are far less common for part-time workers and usually only offered by big companies. Women of color and low income women are least likely to have paid leave. Those companies that do offer paid leave found a 20% reduction in the number of women leaving their jobs in the first year after giving birth-and up to a 50% reduction after five years.

Rhode Island's current paid leave laws make it difficult for low income workers to actually take advantage of the benefit, because we currently only replace 60% of wages. For someone earning near minimum wage, taking paid leave amounts to the inability to pay for basic needs like housing and food at a time when basic needs expenses are going up.

While the need for paid leave stretches across race, ethnicity and gender, Black women in particular are impacted by its lack of availability. <u>More than 80% of Black mothers are the sole, primary and co-breadwinners for their households</u>. Like all women, Black women's needs for caregiving, parental and health leave often goes unmet. Because BIPOC women make up the majority of our minimum wage workforce, this means they are least likely to be able to take advantage of our current paid leave benefits.

Black women are also represented by a higher maternal mortality rate. The highest risks for new mothers occur between 7-42 days after delivery. Many new mothers, particularly those who are Black, are forced to return to work at a time when they are most at risk.

At a time when employers are desperately looking for more employees, expanding Rhode Island's paid leave benefits by lengthening the amount of time that leave can be taken AND by improving wage replacement levels for our lowest income workers can be seen as a boon to our economy. WFRI strongly encourages our legislators to support H-6066.

The mission of the Women's Fund of Rhode Island is to invest in women and girls through advocacy, research, and strategic partnership designed to achieve gender equity through systemic change. Our <u>Women's Well-Being Index</u> compares how well women fare against men on topics related to health, safety, economic security, education and civic participation in every RI city/town. Our <u>policy briefs</u> are written in response to the data found on the Index. You can find more about our work at <u>www.wfri.org</u>.