



# HB 38- Paid Family & Medical Leave Act

## Now is the time to protect workers.

### New Mexico needs the Paid Family & Medical Leave Act (PFMLA).

The U.S. is the only wealthy nation without any national paid family or medical leave policy. (1) At some point, most New Mexico workers will need to take time away from work because of caregiving responsibilities or healthcare needs. PFMLA would create a program, administered by the state of New Mexico, to provide up to 12 weeks of paid leave for employees to welcome a new child, care for a family member with a serious health concern, or manage their own serious medical condition.

New Mexico workers should not face the loss of their livelihood because they need to take time away from work due to a health condition or family care-giving responsibilities. By passing the PFMLA, we can ensure economic security for New Mexico workers and communities.

### How it works.

**Beginning in 2023**, the Department of Workforce Solutions will administer the Paid Family & Medical Leave Trust Fund. Employee and employer contributions will fund disbursements and administration.

**Beginning in 2024**, after contributing for at least six months and submitting an application to NMDWS, employees will receive a percentage of average weekly wages for up to 12 weeks. Self-employed individuals can opt into the program.

Employees and self-employed individuals will receive payments directly from the Trust Fund. During an employee's leave period, employers will benefit from wage savings, which may be used to pay overtime wages for current employees, hire a temporary replacement, or to invest in other ways.

### What it costs.

	Annual salary	Yearly Contributions	
		Employee	Employer (per employee)
Minimum wage	\$21,840	\$109.20	\$87.36
State avg. wage*	\$47,040	\$235.20	\$188.16

### What it provides.

	Annual salary	Weekly wage	Replacement (%)	Weekly replacement
Minimum wage	\$21,840	\$420	100%	\$420
State avg. wage*	\$47,040	\$905	67%	\$745
Max wage	\$60,000	\$1,154	67%	\$912

\*State Ave. Wage based on Bureau of Labor Statistics Occupational Employment Survey Annual Mean May 2019

## Please help us pass the Paid Family & Medical Leave Act.

### Endorsers Include:

- AARP New Mexico
- AAUW-New Mexico
- Center for Civic Policy
- Fathers New Mexico
- Southwest Women's Law Center
- Girls Inc. of Santa Fe
- NM Voices for Children
- NM Women's Agenda
- NM Pediatric Society
- International District Healthy Communities Coalition
- NM Public Health Association
- HEAL+NM
- Prosperity Works
- OLE Education Fund
- NOISE for NOW
- NAPAWF Albuquerque Chapter
- Interfaith Worker Justice NM
- NM Religious Coalition for Reproductive Choice
- Santa Fe NOW
- Respect NM Women
- NM Center on Law and Poverty

For questions or comments, please contact the Southwest Women's Law Center at: 505.244.0502 or [info@swwomenslaw.org](mailto:info@swwomenslaw.org)

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## Protect workers. Support small businesses. Strengthen economic resilience.

### PFMLA strengthens economic resilience and promotes equity.

In 2020, the pandemic and racial justice movement demonstrated the urgency of action. As a global outlier lacking paid leave, the U.S. workforce was especially vulnerable to COVID. One of U.S. Congress's first acts in pandemic response was to pass the first legislation offering paid leave to private sector workers. This swift action demonstrates the critical role paid leave has in economic resilience, but the protections were limited and temporary. (2) States with existing PFML programs were better able to respond to pandemic-related claims than those relying solely on Unemployment Insurance systems. (3)

Paid Family and Medical Leave is a racial and gender justice issue. (4) PFML programs have been shown to address health disparities, close the racial wealth gap, and lessen the economic impacts of caregiving on women, especially in communities of color.

### PFMLA protects workers.

Nine states and the District of Columbia have implemented PFML programs. Those state programs have demonstrated remarkable outcomes in reducing infant mortality, child abuse injuries, and nursing home usage, while improving parental physical and mental well-being. (5,6) People who take leave to address a serious health condition early in the disease are less likely to leave the workforce permanently due to disability. (4)

PFML programs are also effective in improving employee performance and engagement. (7) Studies show that employees who take paid leave are less likely to take sick leave when they return, more likely to be employed by the same business two years later, and more likely to report high morale and workplace satisfaction.

### PFMLA supports small businesses.

Businesses that offer paid family and medical leave have a competitive advantage in recruiting and retaining top talent to their company. Large corporations are increasingly likely to offer private paid leave programs to attract and retain high-quality employees. (7) However, most of our home-grown businesses are too small to easily absorb the costs of offering paid family and medical leave programs.

Tech and media companies have been at the forefront of the paid leave revolution. Facebook, Netflix, and NBC Universal all offer generous paid leave benefits and are bringing those benefits to employees in their newly expanded operations in New Mexico. By committing to PFMLA, our state can take the burden off of small business owners, creating a safety net for them and their employees.

New Mexico is proud to offer entrepreneurs, start-ups, and small businesses an opportunity to innovate, experiment, and grow right here in the Land of Enchantment. PFMLA will support small business, improve recruitment and retention, and promote innovation to take business risks without fearing the loss of income if they or a loved one become unexpectedly ill.

#### References:

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7. 2019 Paid Family and Medical Leave Storybook. Main Street Alliance. [https://www.mainstreetalliance.org/2019\\_pfml\\_storybook1](https://www.mainstreetalliance.org/2019_pfml_storybook1).