

Paid Family Leave in Connecticut: What Small Businesses Need to Know

Current Connecticut law only provides unpaid leave for certain workers who need to take time off from work to bond with a new child or to care for a seriously ill child, spouse or family member. However, many workers cannot afford to take extended unpaid leave, and some small employers are unable to provide paid leave benefits to their employees for an extended period of time.

A paid family leave insurance program would allow Connecticut workers to contribute to a state-administered insurance program that would help provide paid leave to working adults who need time off to care for a seriously ill family member or to bond with a new child. This would allow small businesses that previously could not afford to offer paid leave to provide an extra benefit to their employees.

This document is intended to answer any questions small employers might have about the importance of establishing a paid family leave insurance program in Connecticut, and the effects this would have on small business owners and their workers.

What is the current status of family medical leave policies in Connecticut?

- The federal Family and Medical Leave Act (FMLA) provides up to 12 weeks of unpaid leave per year. FMLA applies to employers who have 50 or more employees. To become eligible for federal FMLA, workers must have worked for the employer for at least 12 months and have completed 1,250 hours of work.
- Under state law, Connecticut allows for further unpaid family leave for all employers with 75 or more employees, except private or parochial elementary or secondary schools. Employees are allowed up to 16 weeks in 2 years for the birth or adoption of a child, placement of child for foster care, to care for a family member with a serious medical condition, for the serious medical condition of the employee, or to serve as an organ or bone marrow donor. The state provides leave for a child, spouse, parent, civil union partner, parent-in-law or stepparent.
- To be eligible for the 16 weeks of unpaid leave available under state law, the employee must work for a business with at least 75 employees. Employees must have at least 1,000 hours of service with an employer during the 12-month period before the leave.
- Starting in 2012, service employees in Connecticut now have the right to accrue one hour of paid sick leave for every 40 hours worked, up to a maximum of 40 hours per year. The Paid Sick Leave Act applies to employers with at least 50 employees; however, manufacturers and certain tax exempt organizations are excluded from the law. Employees may use this paid leave for their own medical needs or to care for an ailing family member (a child or spouse, including a same-sex spouse).

Is Connecticut looking to offer a paid family leave insurance program, like Rhode Island recently started administering?

- Connecticut established a task force in June, 2013 to study the feasibility of creating a paid family and medical leave program for the state that would provide short-term insurance benefits to workers who need time off for pregnancy, the birth of a child, a non-work related injury or illness, or to take care of a sick family member. The state is required to submit a report on its findings and recommendations by October 1, 2014.

- NOTE: Once the state moves forward with its recommendations for paid family leave, this document will be updated to reflect any pending legislation and the effects any proposed programs would have on small businesses.

What effects does paid family medical leave insurance have on businesses?

- Based on the experience of businesses in California and New Jersey, states that have paid family medical leave programs in place, such a program is unlikely to have a significant effect on businesses in Connecticut. Many small businesses that previously could not afford to offer paid leave to their employees would be able to offer the benefit through such a program. This helps small businesses compete for the best employees, and gives employers peace of mind that they are doing what's best for their workers. Employers that already offer paid family leave can expect to see cost-savings.
- A [recent poll](#) released by Small Business Majority found 59% of small business owners support publicly administered family and medical leave insurance pools paid entirely with payroll contributions by employees—just two-fifths of 1% of an employee's wages.
- What's more, our poll found a plurality of small businesses support publicly administered family and medical leave insurance pools that are paid with payroll contributions shared by employees and employers. More small business owners support (45%) than oppose (41%) creating family and medical leave insurance pools where employees and employers each contribute just one-fifth of 1% of an employee's wages.
- Additionally, a majority of small businesses have some type of policy—formal or informal—in place when it comes to family medical leave—time an employee would take to care for a family member with a serious illness or caregiving need. More than two-thirds of small business owners have either a formal written policy, a consistent but not written policy or informal policy provided on a case-by-case basis to provide family medical leave. Of the small business owners who do offer family medical leave, nearly four in 10 offer full or partial pay and 26% offer pay depending on the employee.

What effects does paid family medical leave insurance have on employees?

- Employees who need to take leave to care for a loved one or welcome a new child would be able to do so without having to worry about whether they will be able to pay their bills or keep their jobs.

Do other states have similar programs?

- Yes. [California](#) and [New Jersey](#) have similar family leave insurance programs. California's Paid Family Leave (PFL) program has been in effect for 10 years. New Jersey's Family Leave Insurance (FLI) program has been in effect for 5 years. Both programs have been implemented successfully. [Rhode Island](#) has also just instituted a paid family leave program through its temporary disability insurance program. Evidence suggests that neither [California](#) nor [New Jersey's](#) programs have imposed a burden on businesses, and both have had significant benefits for employees. Moreover, many employers find that the program is actually good for their businesses, boosting employee loyalty and lowering turnover.

Where can I get additional information about Connecticut's family leave policies?

- Additional information about family and medical leave policies may be found on the Connecticut Department of Labor website: <https://www.ctdol.state.ct.us/wgwkstnd/fmla.htm>.