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before the

SUBCOMMITTEE ON FEDERAL WORKFORCE, POSTAL SERVICE, AND THE DISTRICT OF COLUMBIA COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM U.S. HOUSE OF REPRESENTATIVES

and the

JOINT ECONOMIC COMMITTEE UNITED STATES CONGRESS

on

PAID PARENTAL LEAVE FOR FEDERAL EMPLOYEES

MARCH 6, 2008

Mr. Chairman and Members of the Subcommittees:

Thank you for inviting me here today to discuss parental leave. We share your interest in this topic and in ensuring that the Federal Government has programs to assist employees in balancing their work and personal needs.

Today's hearing is focused specifically on H.R. 3799, the "Federal Employees Paid Parental Leave Act of 2007." This bill would amend the Family and Medical Leave Act (FMLA) – in particular, the provisions of that statute that relate to parental leave for Federal employees. The FMLA provides 12 weeks of unpaid leave within 12 months of the birth or adoption of a child. Federal employees may substitute any accumulated annual leave for all or part of that 12-week entitlement. Sick leave may also be substituted for a portion of the 12 weeks of unpaid leave, if sick leave would otherwise be appropriate – for example, during the mother's recovery from childbirth and for routine medical or well-baby appointments.

H.R. 3799 would add to this entitlement 8 weeks of paid leave (in addition to the employee's accrued annual or sick leave) that could be substituted for any portion of the 12 weeks of FMLA leave. Employees would not be required to use their accumulated annual and sick leave before using the 8 weeks of paid leave under H.R. 3799.

Let me take a moment to briefly summarize the benefits that are currently available to help meet the needs of Federal employees who become parents. While we recognize that many employees cannot afford to take several weeks of unpaid leave when they become parents, the FMLA provisions, combined with other leave benefits for Federal employees, compare favorably to similar benefits offered by other employers. They provide income support that we believe is sufficient to meet the needs of most Federal employees with children. This is borne out by the fact that our Federal Human Capital Survey results show that a large majority of Federal employees express satisfaction with the benefits they receive, including paid leave for personal and family illness.

Very few employers provide for unlimited accumulation of sick leave by their employees, but that is what we do in the Federal Government. Full-time employees covered by our leave system earn 13 days of paid sick leave each year. Any amount they do not use by the end of each year accumulates and remains available for their use in future years, without limitation.

Depending on how long they have been employed in the Government, full-time employees earn between 13 days and 26 days of paid annual leave each year. They may carry up to 6 weeks of annual leave over into the next year. Agencies may advance limited amounts of both annual and sick leave to employees who need paid leave but who do not have any reserves of leave.

I have already mentioned that the Family and Medical Leave Act allows Federal employees to substitute paid leave they have accumulated for the unpaid leave provided by the Act. In addition, our leave statute allows Federal employees to use up to 13 days of sick leave a year to care for a sick family member, including taking them to routine examinations, such as well-baby visits.

Federal employees may use up to 12 weeks of accrued sick leave in a year to care for a family member with a serious health condition. Pregnancy and childbirth are included in the definition of "serious health condition" for this purpose. An employee can use this leave to accompany the expectant mother to prenatal appointments, to be with her during her period of hospitalization, and care for her during her recovery from childbirth.

In addition, a prospective father or mother can use sick leave for proceedings related to the adoption of a child. This includes appointments with adoption agencies, social workers, and attorneys; attending court proceedings; and any other activities necessary to allow the adoption to proceed.

The Federal Government also offers leave-sharing programs. The voluntary leave transfer program and agency leave bank programs allow Federal employees to donate annual leave to assist other Federal employees who have a personal or family medical emergency (including pregnancy and childbirth) and who have exhausted their own paid leave.

Flexible work schedules and telework also can help employees balance their work and family responsibilities. If work requirements allow, an employee may consider working a flexible schedule. Flexible schedules enable employees to select and alter their work schedules to better fit their personal needs and help balance work, personal, and family responsibilities. Although telework should <u>not</u> be viewed as a way for employees to care for children while they are working from home, it can provide employees with valuable additional time to spend with their family members by reducing commuting time.

Even with all of these benefits and flexibilities, we recognize that there is one missing piece that we need in order to have a truly complete package of quality benefits. That missing piece is income support for employees who experience short-term disabilities (including as a result of childbirth) early in their careers, before they have been able to accumulate sufficient sick and annual leave to meet their needs. We appreciate that H.R. 3799 recognizes this gap and proposes a solution with respect to parental leave. We believe, however, that any solution should recognize that there are other circumstances involving short-term disabilities, in which an employee may need benefits beyond those already available.

Accordingly, we are proposing to establish a new short-term disability insurance (STDI) program for Federal employees. It would offer employees an opportunity to purchase STDI coverage on a voluntary basis. It would be available at affordable premiums based on group rates that leverage the size of the Federal population.

The new STDI program would safeguard Federal employees during their temporary inability to perform normal occupational duties because of a non-work related disability, including accidents, or illnesses, or maternity. The more comprehensive nature of the program would make it more attractive to employees than the coverage under H.R. 3799. In addition, unlike H.R. 3799, STDI would not adversely affect agencies' ability to budget for staffing requirements.

We look forward to working with you to explore in more detail the best approach to meeting the needs of all our employees for income support during periods of absence due to parental responsibilities and temporary disability.

Thank you for the opportunity to discuss this important issue with you. I would be happy to answer any questions you may have.