

The Effects of State Paid Leave Mandates on Parental Childcare Time

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Allied Social Sciences Association Meetings

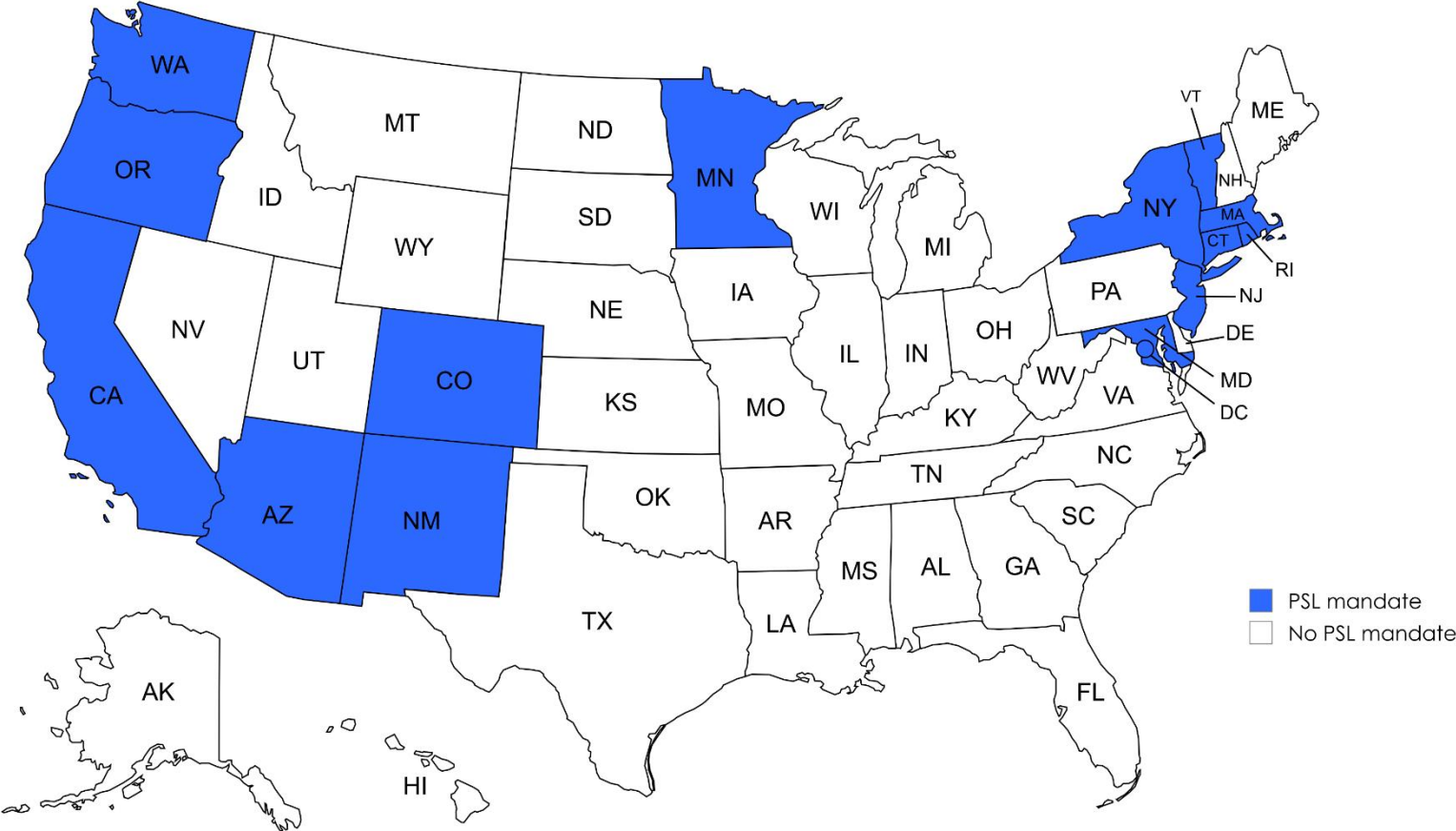
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Disclaimer:

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Paid sick leave laws adopted/announced by October 2023



Created with mapchart.net

Source: National Partnership for Women & Families (2023)



Research question

- Do state paid sick leave (PSL) mandates allow parents to take time off work to attend their children's needs?
 - ▶ State PSL mandates adopted or announced 2008–2022
 - ▶ American Time Use Survey 2004–2022
- We examine the effect of PSL mandates on:
 - ▶ Work time (first-stage)
 - ▶ Childcare time: Primary, face time, secondary
 - ▶ Household activities, sleep, leisure
- Difference-in-differences (DID) methods
 - ▶ Compare outcomes in states that do and do not adopt mandates
 - ▶ Two-step procedure proposed by Gardner (2022)

Results preview

- Minutes worked per average day ↓
- Minutes of primary childcare/face time per average day ↑
- Minutes of leisure time per average day ↑



Background: PSL laws (1)

- Recent state program: DC adopted in 2008
- October 2023: 15 states adopted or announced a PSL mandate
- Financially protected time away from work for health reasons
 - ▶ 7 days/year, can carry over
 - ▶ Own health or family responsibilities
- 100% wage replacement
- 90 days initial accrual period
- Limited burden in application



Background: PSL laws (2)

- Right to take **unpaid** sick leave
- Some states have exemptions for small employers
- Employer mandates
- Employer must post benefit details: AZ, MA
- Some localities have also adopted PSL mandates
 - ▶ First in nation: San Francisco, CA 2007

Background: State PSL laws (3)

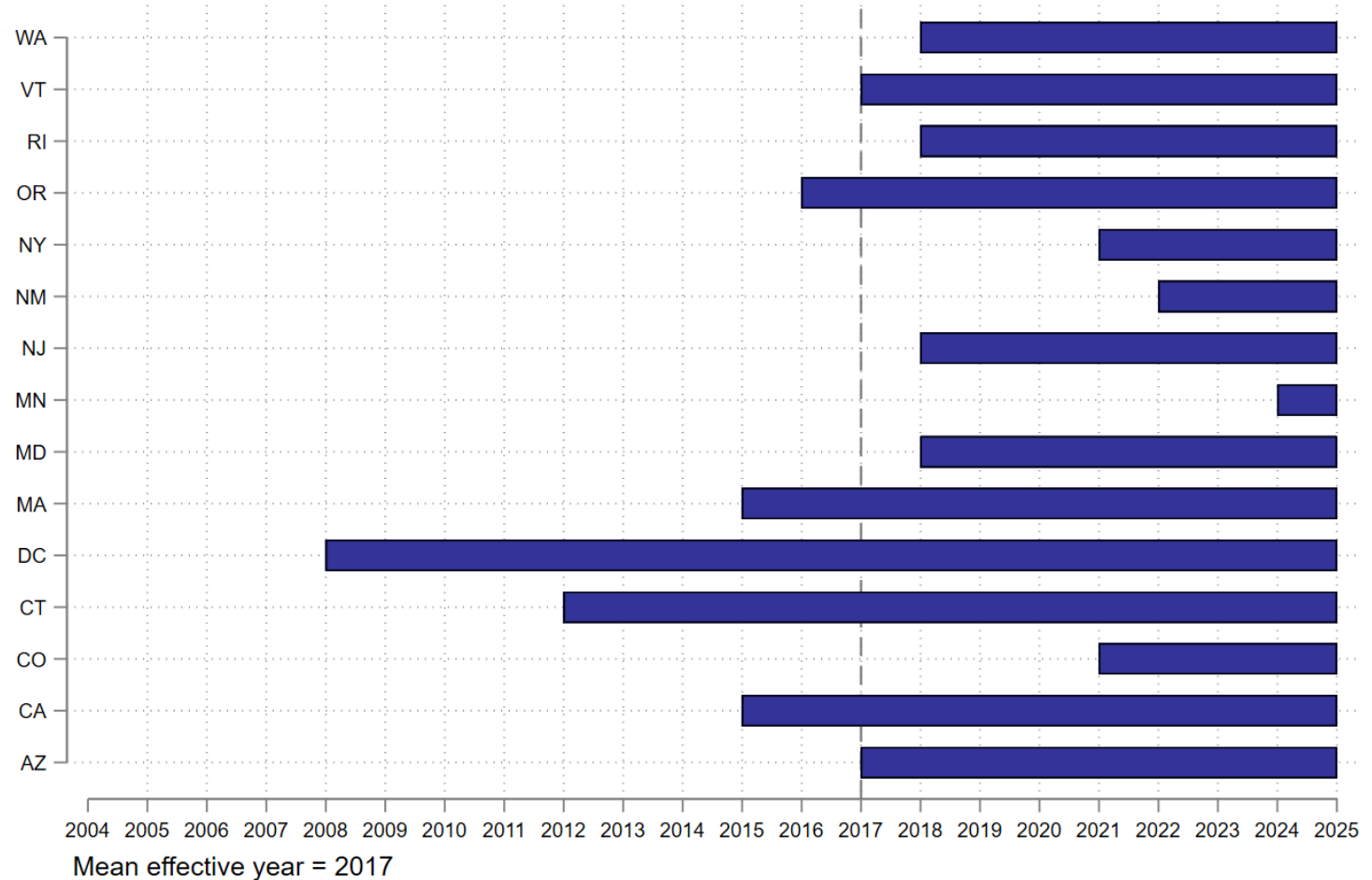
Source: National
Partnership for Women
& Families (2023)

State	Effective date	Employees gaining coverage for first time
Arizona	7/2017	934,000
California	7/2015	6,900,000
Colorado	1/2021	813,000
Connecticut	1/2012	200,000
District of Columbia	5/2008	220,000
Massachusetts	7/2015	900,000
Maryland	2/2018	750,000
Minnesota	1/2024	N/A
New Mexico	7/2022	286,000
New York	1/2021	2,600,000
New Jersey	10/2018	1,200,000
Oregon	1/2016	473,000
Rhode Island	7/2018	100,000
Vermont	1/2017	60,000
Washington	1/2018	1,000,000



Background: Paid sick leave laws (4)

- Timing of state PSL mandates
- Source: National Partnership for Women & Families (2023)



Data (1)

- 2004–2022 American Time Use Survey (ATUS) extract from IPUMS (Flood et al. 2023)
 - ▶ Adults aged 22–59 living with minor children
 - ▶ Outcomes measured in minutes per day aggregated from daily time diaries:
 - Work and work-related activities including commuting time (first stage)
 - Primary childcare of household children
 - Routine and health, educational, and other
 - Face time with children (time in the presence of children)
 - Secondary childcare (supervisory time of children < age 13)
 - Other outcomes: Household production, sleep, & leisure

Data (2)

■ PSL mandate data

- ▶ National Partnership for Women & Families (2023)
 - State PSL mandates
- ▶ Empirical concerns with sub-state mandates
 - Location of work, not residence, salient for PSL mandates
 - Sub-state mandates easier to evade
 - ATUS not designed to be representative at the city level

Difference-in-differences (DID)

■ Two-step DID estimator proposed by Gardner (2022)

1. $Y_{i,s,t}(0) = \gamma_s + \delta_t + \beta' X_{i,s,t} + \eta_{i,s,t}$

2. $Y_{i,s,t} - \hat{Y}_{i,s,t}(0) = \alpha PSL_{s,t-12} + \varepsilon_{i,s,t}$

■ Robust to bias from dynamic & heterogeneous treatment effects with a staggered policy rollout

■ i = respondent, s = state, & t = month-year

■ $Y_{i,s,t}$: time use outcome

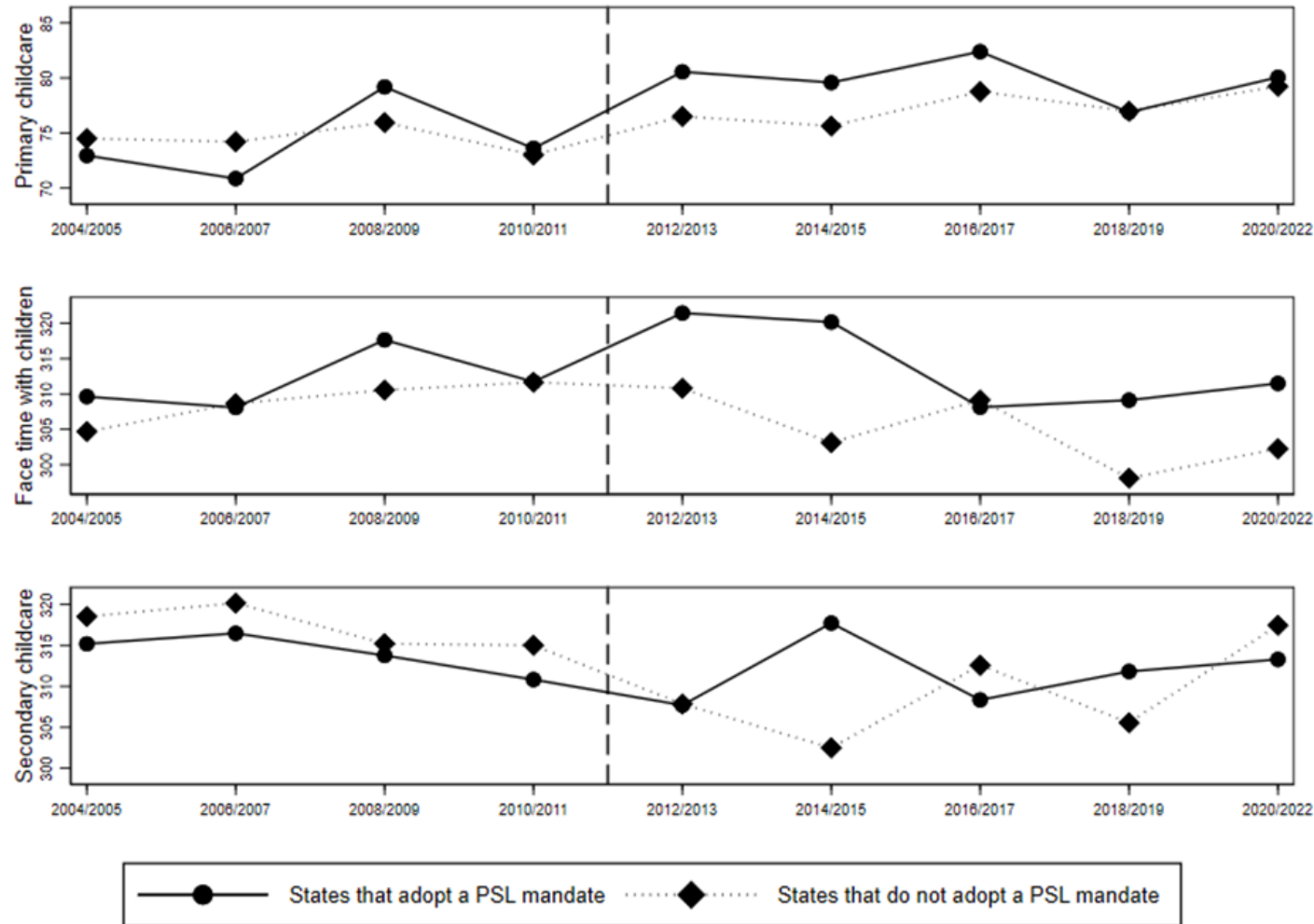
■ $PSL_{s,t-12}$: state PSL mandate lagged one year

■ $X_{i,s,t}$: state policies & individual time-varying characteristics

■ $\eta_{i,s,t}$ & $\varepsilon_{i,s,t}$: error terms

■ Use ATUS weights and cluster standard errors at the state level.

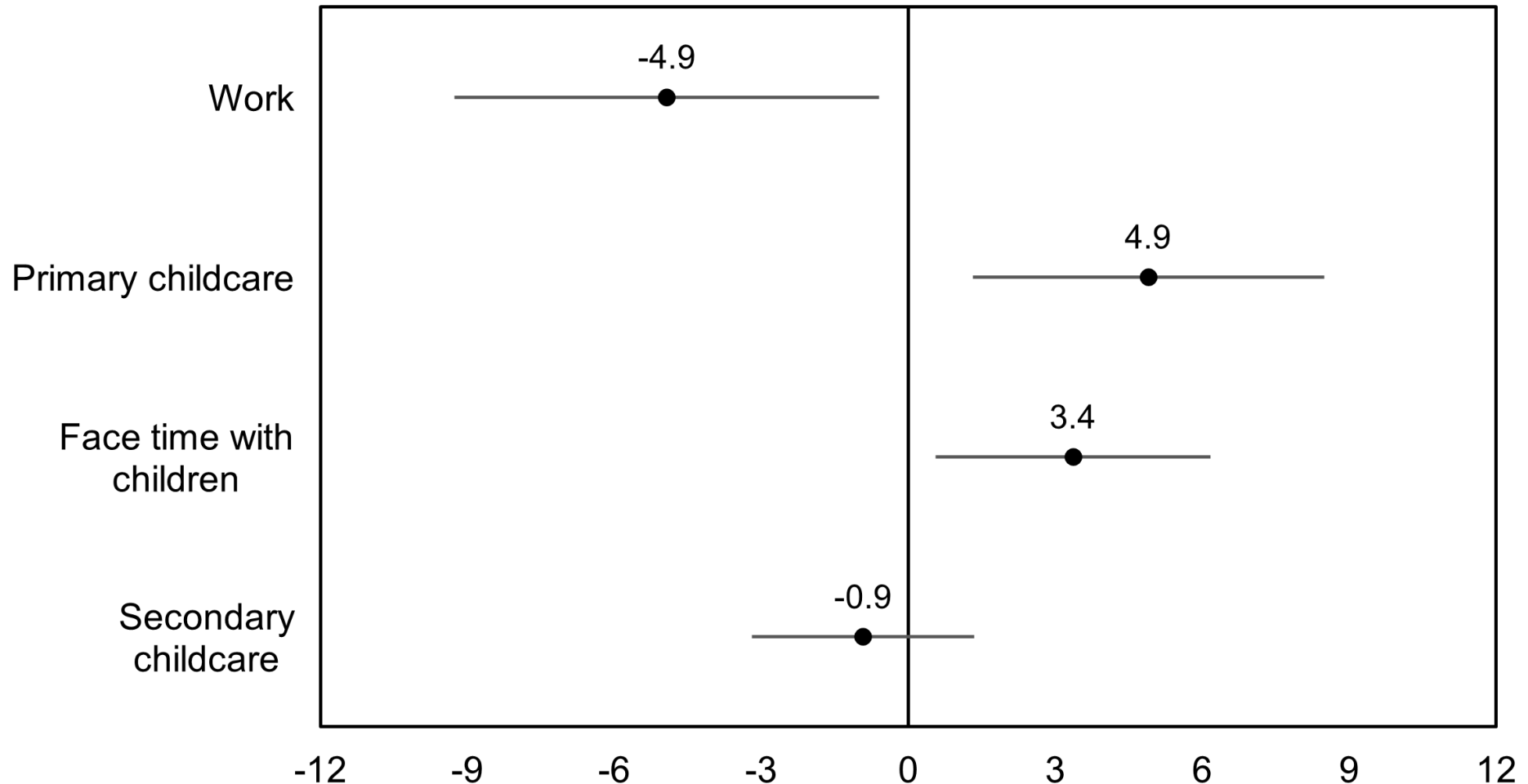
Trends in childcare (min/day)



Source: ATUS



Effect of state PSL mandates on work and childcare (%Δ min/day)

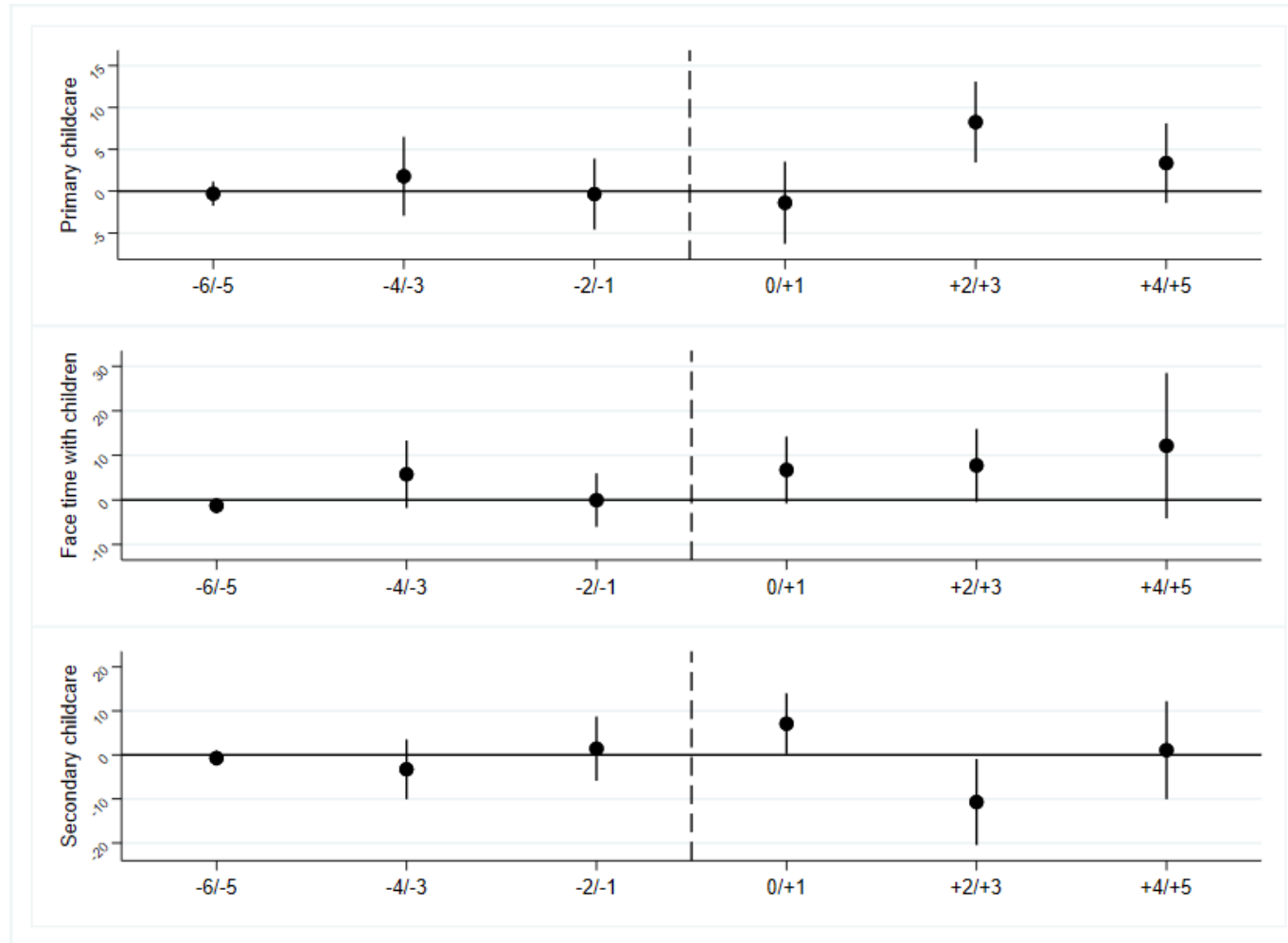


Source: ATUS; National Partnership for Women & Families

Betas & 95% CI's (scaled)



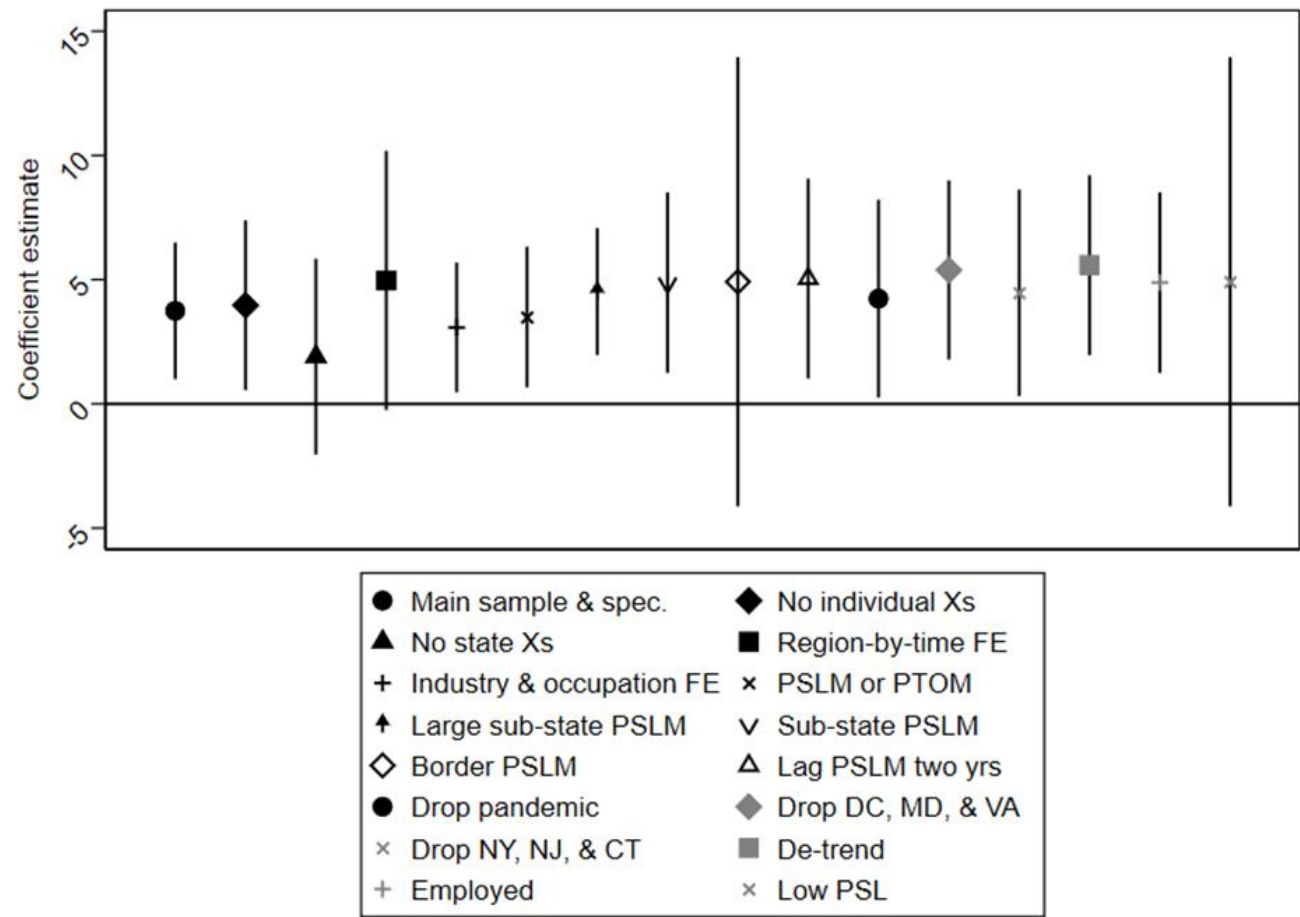
Event studies for childcare (min/day)



Source: ATUS; National Partnership for Women & Families

Betas & 95% CI's (unscaled)

Robustness for PSL effects on primary childcare

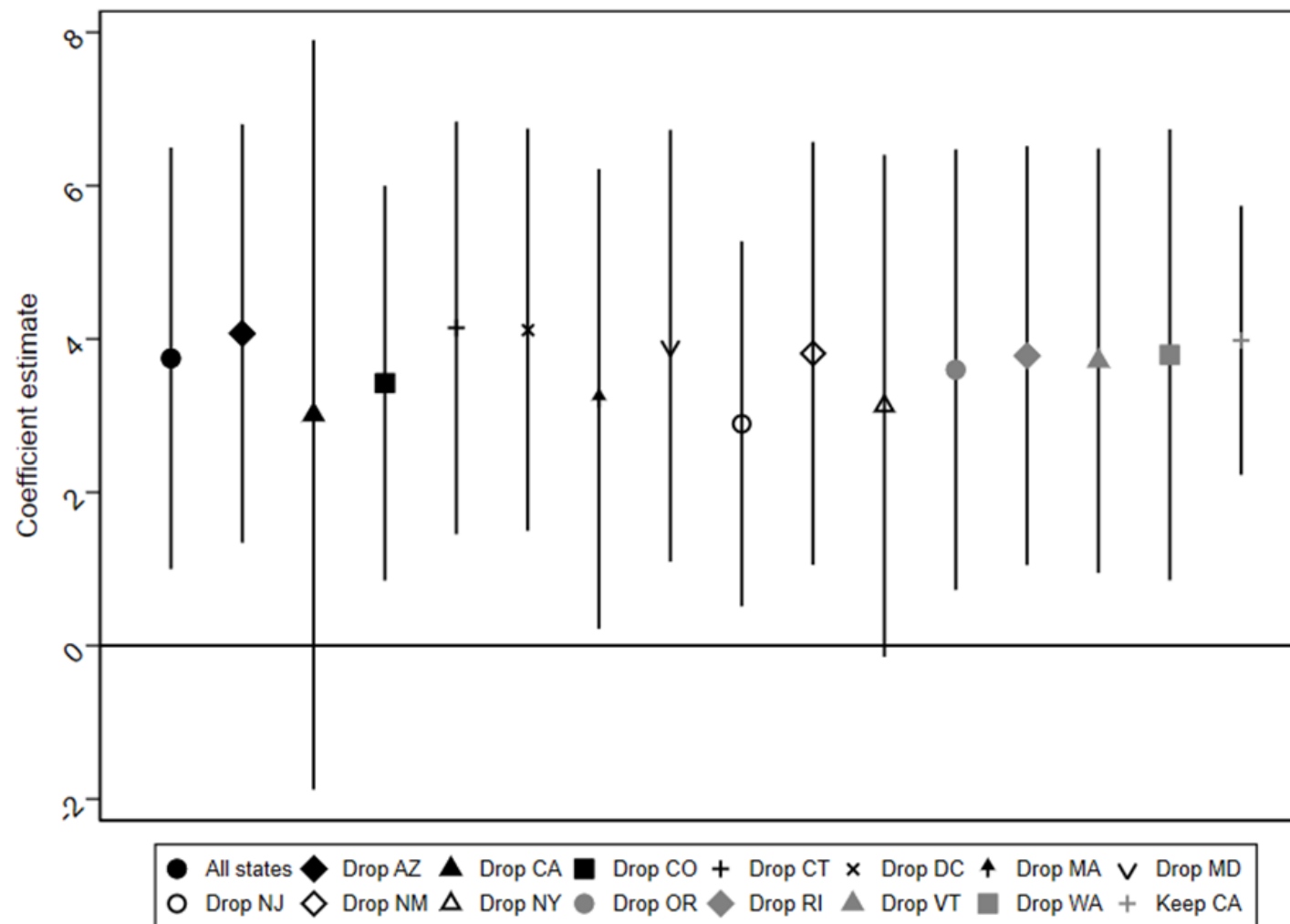


Source: ATUS; National Partnership for Women & Families

Betas & 95% CI's (unscaled)

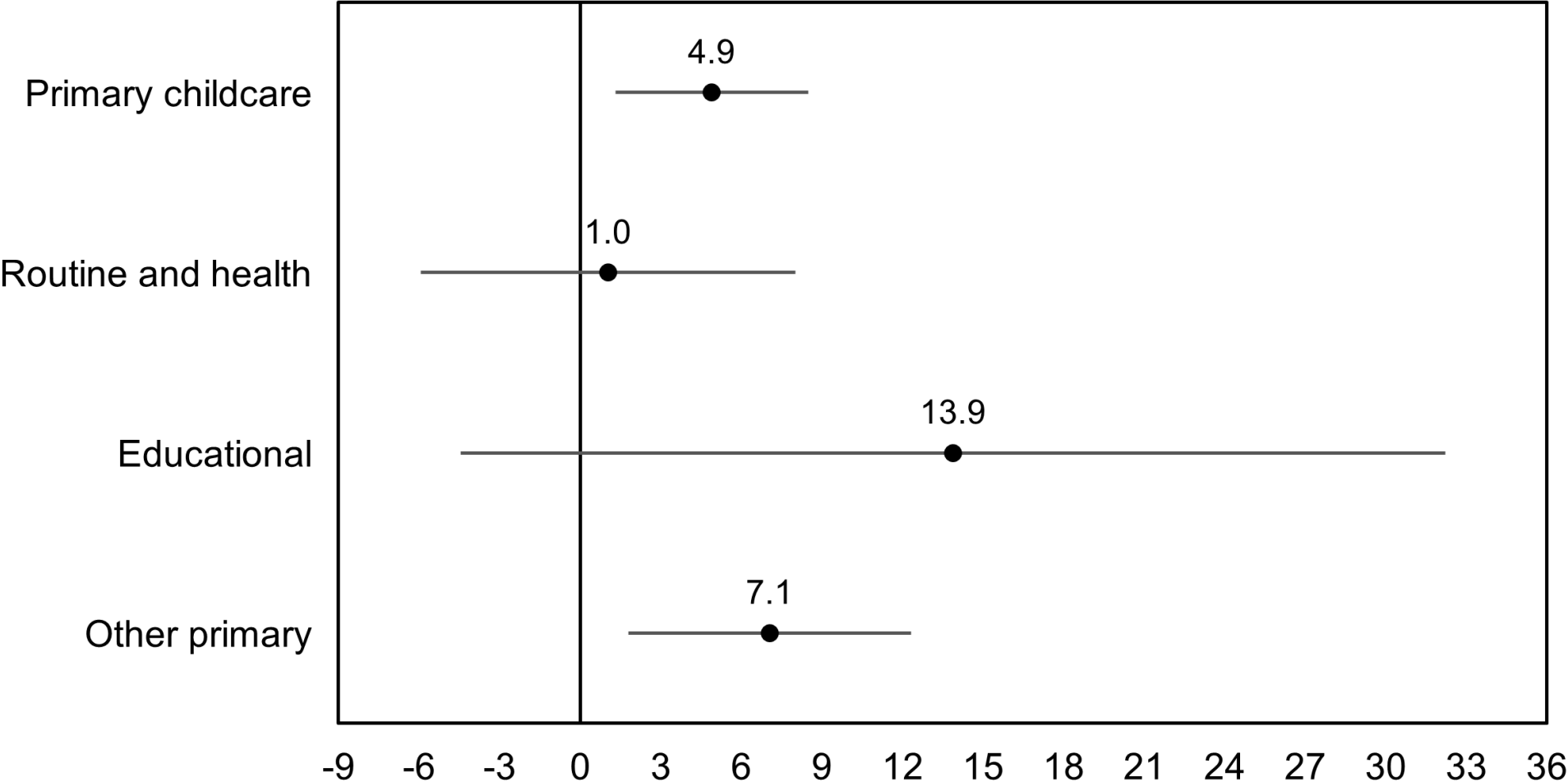


Leave-one-state-out effects



Source: ATUS; National Partnership for Women & Families
 Betas & 95% CI's (unscaled)

Effect of state PSL mandates on primary childcare

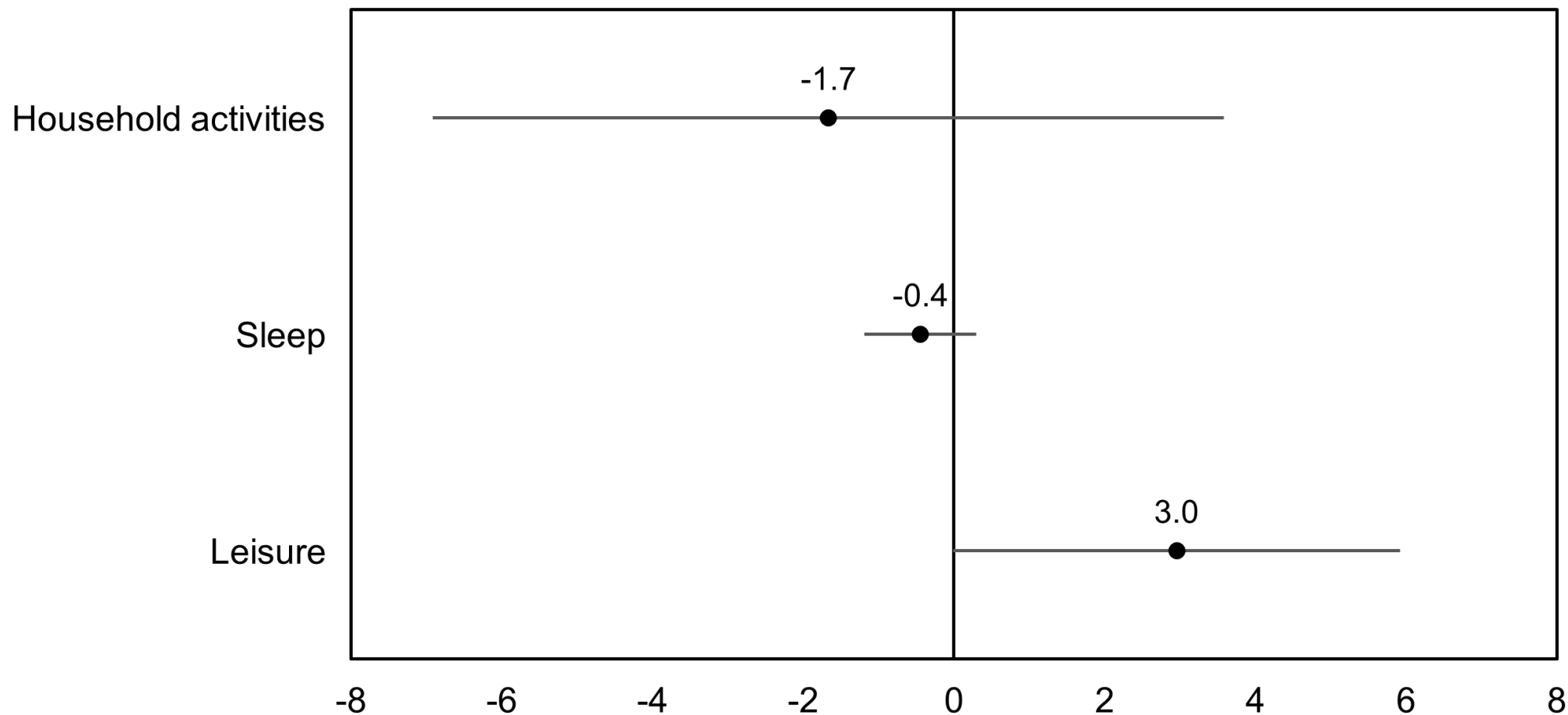


Source: ATUS; National Partnership for Women & Families

Betas & 95% CI's (scaled)



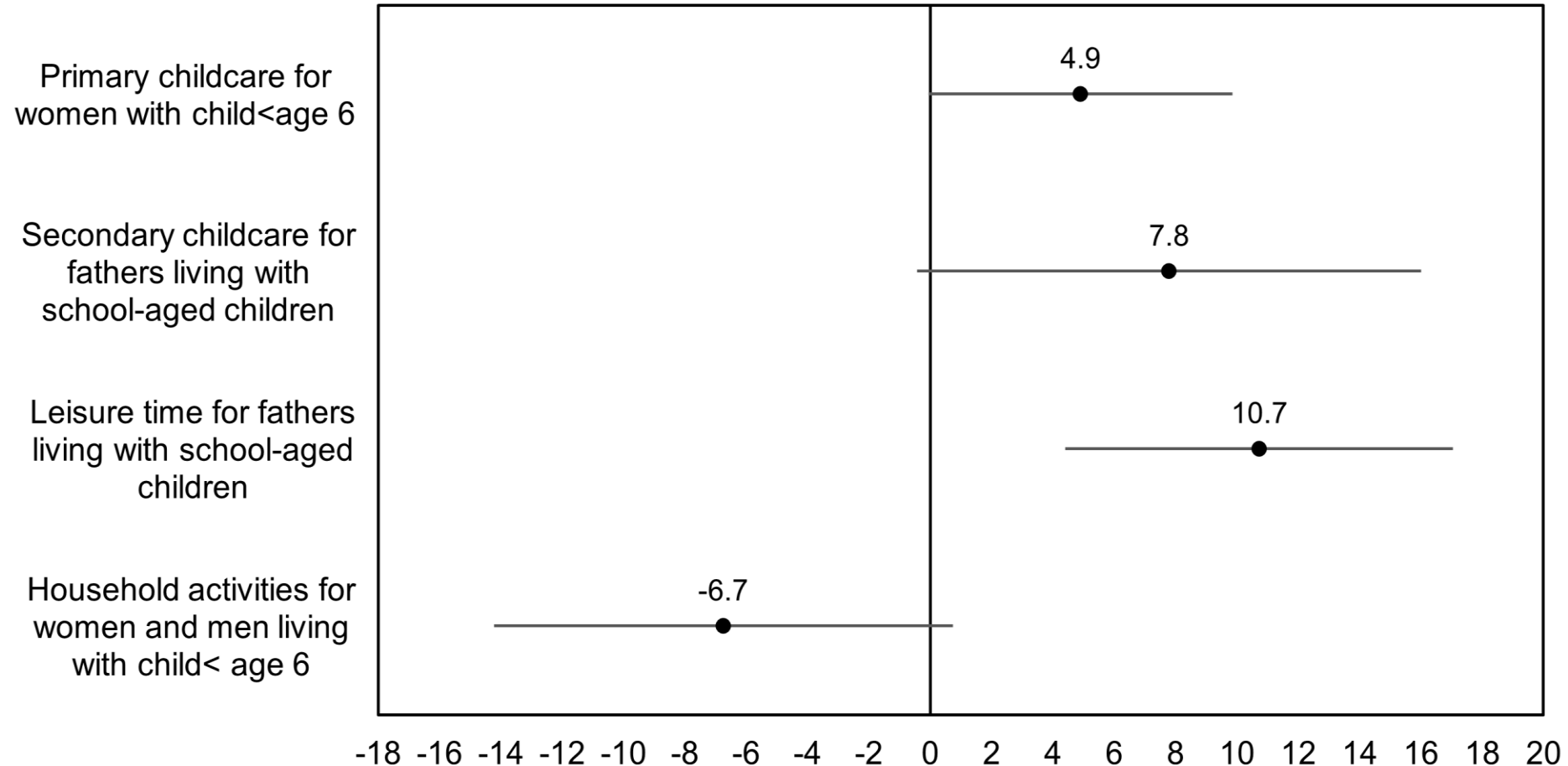
Effect of state PSL mandates on other time use



Source: ATUS; National Partnership for Women & Families

Betas & 95% CI's

Heterogeneity: Effect of state PSL mandates



Source: ATUS; National Partnership for Women & Families

Betas & 95% CI's (scaled)

Effect sizes are reasonable

- First-stage: work ↓ 13.0 min/day
- Second-stage:
 - ▶ Primary childcare ↑ 3.8 min/day
 - ▶ Household activities ↓ 2.0 min/day
 - ▶ Sleep ↓ 2.3 min/day
 - ▶ Leisure ↑ 6.9 min/day

Key Findings

■ Post-state PSL mandate

- ▶ Minutes worked per average day ↓
 - 4.9% decrease
- ▶ Minutes of childcare ↑
 - 4.9% increase in primary childcare
 - 3.4% increase in face time with children
- ▶ Leisure time per average day ↑
 - 3.0% increase

■ Our findings suggest that state PSL mandates help parents to better balance work and childcare responsibilities.

Contact Information

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Benefit notice example: Massachusetts

EARNED SICK TIME

Notice of Employee Rights

Beginning July 1, 2015, Massachusetts employees have the right to earn and take sick leave from work.

WHO QUALIFIES?

All employees in Massachusetts can earn sick time.

This includes full-time, part-time, temporary, and seasonal employees.

HOW IS IT EARNED?

- Employees earn 1 hour of sick time for every 30 hours they work.
- Employees can earn and use up to **40 hours per year** if they work enough hours.
- Employees with unused earned sick time at the end of the year can **rollover up to 40 hours**.
- Employees **begin earning** sick time on their first day of work and **may begin using** earned sick time 90 days after starting work.

WILL IT BE PAID?

- If an employer has 11 or more employees, sick time must be paid.
- For employers with 10 or fewer employees, sick time may be unpaid.
- Paid sick time must be paid on the same schedule and at the same rate as regular wages.

WHEN CAN IT BE USED?

- An employee can use sick time when the employee or the employee's child, spouse, parent, or parent of a spouse is sick, has a medical appointment, or has to address the effects of domestic violence.
- The smallest amount of sick time an employee can take is one hour.
- Sick time cannot be used as an excuse to be late for work without advance notice of a proper use.
- Use of sick time for other purposes is not allowed and may result in an employee being disciplined.

CAN AN EMPLOYER HAVE A DIFFERENT POLICY?

Yes. Employers may have their own sick leave or paid time off policy, so long as employees can use at least the same amount of time, for the same reasons, and with the same job-protections as under the Earned Sick Time Law.

RETALIATION

- Employees using earned sick time cannot be fired or otherwise retaliated against for exercising or attempting to exercise rights under the law.
- Examples of retaliation include: denying use or delaying payment of earned sick time, firing an employee, taking away work hours, or giving the employee undesirable assignments.

NOTICE & VERIFICATION

- Employees must **notify** their employer before they use sick time, except in a emergency.
- Employers may require employees to **use a reasonable notification system** the employer creates.
- If an employee is out of work for 3 consecutive days **OR** uses sick time within 2 weeks of leaving his or her job, an employer may require documentation from a medical provider.

DO YOU HAVE QUESTIONS?

Call the Fair Labor Division at 617-727-3465 ○ Visit www.mass.gov/ago/earnedsicktime



Commonwealth of Massachusetts
Office of the Attorney General
English - July 2016

The Attorney General enforces the Earned Sick Time Law and regulations.

It is unlawful to violate any provision of the Earned Sick Time Law. Violations of any provision of the Earned Sick Time Law, M.G.L. c. 149, §148C, or these regulations, 940 CMR 33.00 shall be subject to paragraphs (1), (2), (4), (6) and (7) of subsection (b) of M.G.L. c. 149, §27C(b) and to §150.

This notice is intended to inform.

Full text of the law and regulations are available at www.mass.gov/ago/earnedsicktime.



Summary statistics: Activity time (min/day) and state characteristics

Sample:	All states	States that adopt a PSL, pre-policy	States that do not adopt a PSL
Primary childcare	76.6	76.5	76.2
Face time with children	308.6	312.2	306.4
Secondary childcare	312.9	312.5	312.9
Household activities	118.1	119.5	116.9
Sleep	509.8	510.7	507.7
Leisure	235.4	234.2	236.3
PSL mandate (lagged one year)	0.076	0	0
Paid family and medical leave mandate*	0.16	0.39	0
Paid time off mandate	0.01	0	0.011
Poverty rate*	12.9	13.1	13.2
Population*	13687403	17882746	10950530

Summary statistics: Individual characteristics

Sample:	All states	States that adopt a PSL, pre-policy	States that do not adopt a PSL
Male	0.46	0.46	0.45
Female	0.54	0.54	0.55
Age	38.6	38.8	38.4
White	0.80	0.80	0.81
Non-white	0.20	0.20	0.19
Non-Hispanic	0.78	0.70	0.83
Hispanic	0.22	0.30	0.17
Not married	0.25	0.24	0.25
Married	0.75	0.76	0.75
Not cohabiter	0.25	0.24	0.25
Cohabiter	0.75	0.76	0.75
Less than high school	0.12	0.14	0.11
High school	0.28	0.25	0.29
Some college, no degree	0.25	0.25	0.26
College degree	0.22	0.22	0.22
Graduate degree	0.13	0.14	0.12

Summary statistics: Individual characteristics

Sample:	All states	States that adopt a PSL, pre-policy	States that do not adopt a PSL
Number of children under 18 years old in household	1.92	1.93	1.92
Any children under 1 year old in household	0.10	0.10	0.10
Any children 1–5 years old in household	0.37	0.37	0.37
Any children 6–17 years old in household	0.53	0.53	0.53
Resides in metro area	0.85	0.93	0.80
Resides outside a metro area	0.15	0.069	0.20
Observations	77527	20004	52014