

Testimony Re: S-534, Temporary Caregivers Insurance
 Senate Finance Committee
 June 6, 2023
 Leanne Barrett, Senior Policy Analyst



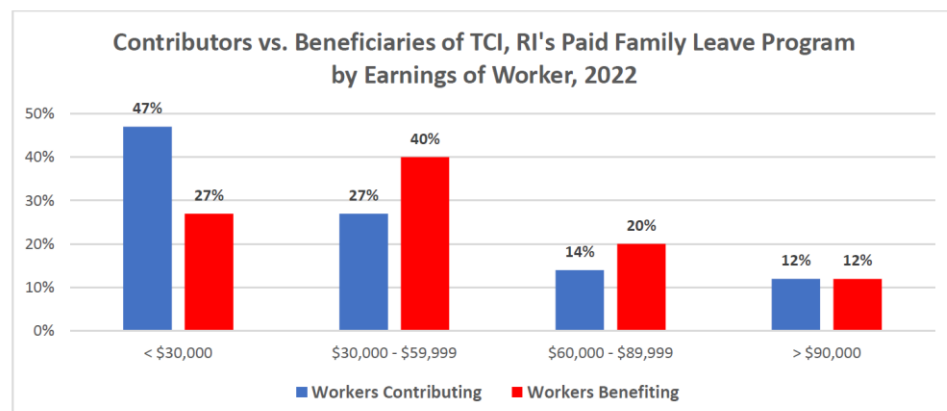
Rhode Island KIDS COUNT coordinates the Right from the Start Campaign, a state policy coalition led by eight organizations to advance state policies and budget priorities that will help families with young children.

Both Rhode Island KIDS COUNT and the Right from the Start Campaign strongly support Senator Miller's bill S-534, to improve wage replacement rates for the Temporary Caregivers Insurance Program and to enable self-employed and gig workers to contribute and benefit from this program.

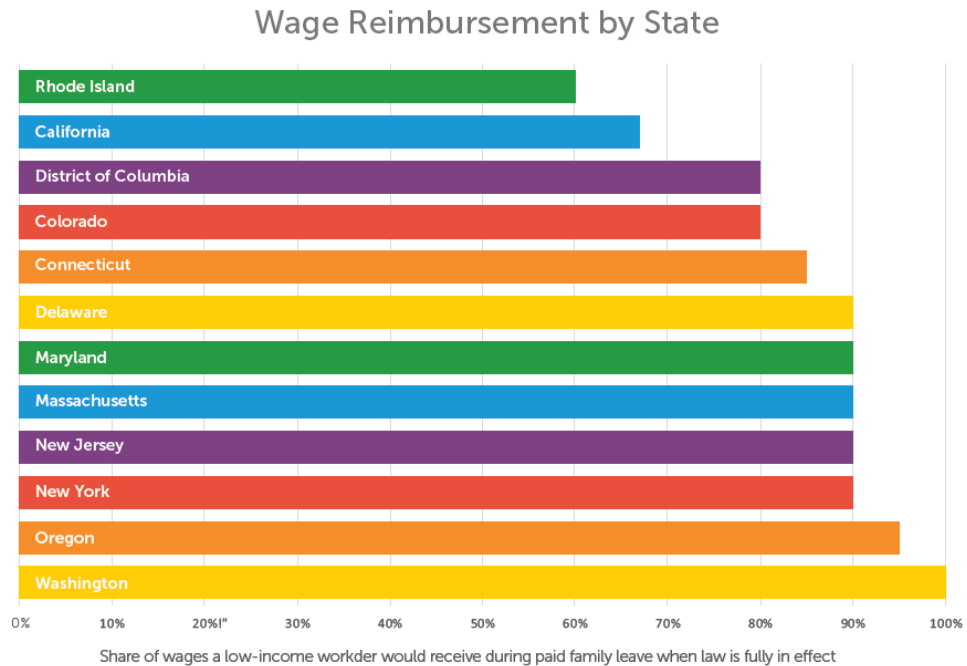
A good step in the right direction would be to raise the wage replacement to 70% of regular wages for everyone.

Rhode Island's wage replacement during paid family leave is the lowest in U.S. Rhode Island's TCI wage replacement is currently at 60%, meaning that workers only receive up to 60% of their regular pay when on leave. This wage replacement is the lowest amongst all paid family leave policies in the country. **Expenses increase significantly when a new baby or child joins a family**, and families need their full paycheck to cover both their regular living expenses and to meet the needs of a baby.

Access to Rhode Island's paid family leave program is not equitable. The lowest-wage workers use the TCI program at lower rates than they contribute to it. Data shows that workers with the lowest earnings, less than \$30,000 per year, made up 47% of the people who contribute to the TDI/TCI fund, but only 27% of the people who file claims to take leave. With Rhode Island's wage replacement at 60%, these workers may be unable to afford to take the paid leave they are entitled to.



*Rhode Island is falling behind as other states
raise wage reimbursement standards*



When low-wage workers cannot afford to take time off to provide that individualized care and nurturing that newborns need, children are at higher risk of poor outcomes.

Taking at least 12 weeks of time off from work to care for a new child improves both short-term and long-term maternal and child health outcomes and family economic outcomes.

Rhode Island KIDS COUNT thanks the General Assembly for establishing the Temporary Caregivers Insurance in 2013 and now we ask you to move forward to ensure it meets national standards and provides equitable access for low-wage workers.