

**ORAL TESTIMONY OF SANDRA O. POOLE, MPA
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**HEARING ON “ENCOURAGING FAMILY - FRIENDLY WORKPLACE
POLICIES”**

**SUBCOMMITTEE ON WORKFORCE PROTECTIONS
HOUSE COMMITTEE ON EDUCATION AND LABOR
UNITED STATES HOUSE OF REPRESENTATIVES**

ROOM 2175 RAYBURN HOUSE OFFICE BUILDING

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Thank you, Chairwoman Woolsey and Members of the Subcommittee for the invitation to speak to you today regarding California's Paid Family Leave program.

My name is Sandra O. Poole and I am the Deputy Director of the Employment Development Department's State Disability Insurance program.

Approximately 13 million California workers are covered by the SDI program. There are two components of the SDI program in California: 1) Disability Insurance; and 2) Paid Family Leave program. The SDI program is worker-funded and is an economic safety net for eligible workers. The Disability Insurance program provides benefits to workers who are unable to work due to non work-related illness, injury, or pregnancy and has been provided in California since 1946.

In 2002, legislation extended disability compensation to individuals who take time off work to care for a seriously ill child, spouse, parent, domestic partner, or to bond with a new minor child. Employee contributions for this program, known as Paid Family Leave, began January 1, 2004, and the department began processing PFL claims on July 1, 2004. Since July 2004, approximately 740,000 California taxpayers have received over 4 billion dollars in benefits from PFL.

Initially, some employers expressed concern the program would be rife with fraud; employees would file claims when they weren't actually providing care or bonding and employees would use the program as an excuse to be away from work leaving the employer understaffed. To address this concern, the department implemented several fraud deterrence and detection activities, and to date, only a couple of claims have been referred for investigation of suspected fraudulent activity.

PFL customers overwhelmingly support the program, and in a recent survey 81% expressed satisfaction with the entire Paid Family Leave claim filing process. While I can certainly provide you with more statistics and data related to PFL, I believe that the benefit of the program to our customers is best expressed in their own words. Let me share just one story which portrays an example of a real life experience of one of our customers. I will call her Mrs. V to protect her privacy.

As her mother, Barbara was dying; Mrs. V was at her side:

"She would say to me, 'Don't you have to go to work?'" Mrs. V recalls, "and I'd say, It's OK, Mom, I can stay here with you."

"She didn't understand about Paid Family Leave, but that's why I could do all that I could for her." Mrs. V. says

Mrs. V was on Paid Family Leave for the last weeks of her mother's life. She says that "It was really comforting for her just to hear my voice. She was at peace. She was never alone."

Being able to be with her mother during those last days "helped me to accept her death. I was truly blessed. I know that I did the best I could. I have no regrets."

While the PFL program is working well, the Federal assistance provided by the HR 2339, would help California in several ways. First, funds are available for outreach and education. In California, advocacy groups interested in work and family issues continue to meet with the EDD regarding a concern that workers are not aware of the program and thus not utilizing the program.

In addition, under HR 2339, funds can be also used for administrative costs as well. Because California was the first in the nation to implement a Paid Family Leave program, there was no data to rely on for anticipating claim volumes. Also, because there was insufficient time to fully develop the automation system to capture demographic data that researchers often request.

Despite the barriers California's PFL program has faced, it is a very successful program that helps workers balance work and family. I hope other states follow California's lead, and the grants provided under the FIRST Act will be of invaluable assistance to them as they implement their programs.

Thank you and I would be happy to answer any questions you may have.