



**Unlocking the full potential
of state paid family leave**

MOMS F1RST

We're grateful for early feedback from the following organizations:

Burke Foundation

Tepper Foundation

Pivotal Ventures

Robin Hood Foundation

Craig Newmark Philanthropies

Capital One Foundation

A Better Balance

Paid Leave for All

New America

Moms Rising

Center for American Progress

National Partnership for Women & Families

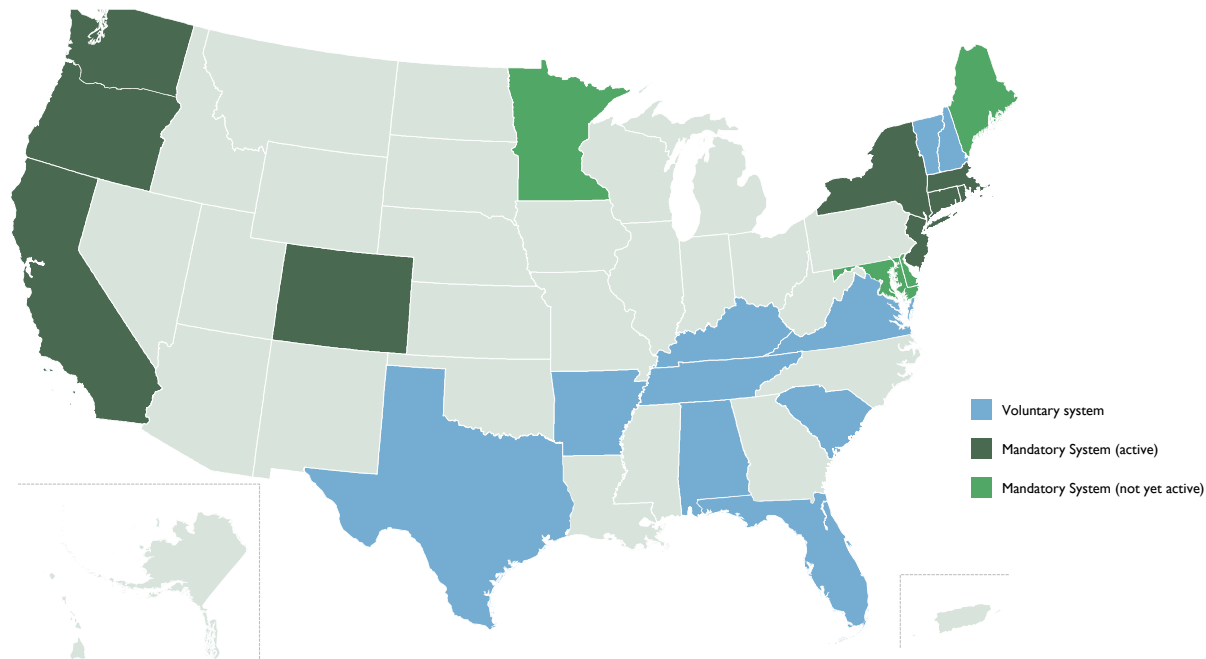
Campaign for a Family Friendly Economy

Columbia University's School of International & Public Affairs

The Office of the Governor of the State of New York

Unlocking the full potential of state paid family leave

Paid Family Leave policies across the United States



Source: [Bipartisan Policy Center](#)

While the US has no federal paid family leave policy (PFL) or program, momentum is growing at the state level, with 13 states and the District of Columbia passing mandatory PFL policies, and a number of other states providing voluntary coverage.ⁱ Momentum for such policies has been driven in part by the compelling body of evidence showing that paid leave for parental bonding delivers significant benefits for children, parents, and employers, including:

- **Improved child development outcomes.** When parents take paid family leave for bonding, their children experience lower infant mortality rates and have better language and socioemotional outcomes as toddlersⁱⁱ
- **Higher lifetime earnings for women.** A decade after childbirth, 82 percent of women who took paid leave remained in the labor force, compared with just 64 percent of those who quit after childbirthⁱⁱⁱ
- **Greater ability of small businesses to attract and retain talent.** About 70 percent of small business owners believe that state programs help them stay competitive and retain talent^{iv}

Less understood, however, is how well-utilized parental leave policies are, what drives uptake, and how states can reap the full reward and promise of these benefits. Research to date has been limited by the varied structures of state policies, the combination of parental and other forms of family leave, and the evolving role of employers, who may privately provide coverage. For example, PFL policies typically provide coverage for multiple forms of leave – whether for parental bonding or care for a seriously ill family member. In addition, contributing to the complexities in studying the utilization of PFL for bonding, is that these policies exist amidst a broader network of related policies, including Temporary Disability Insurance (TDI) programs that provide paid leave for those who must take time away from work to address personal health needs, including pregnancy.

What is paid family leave? Understanding the terms:

Paid Family Leave (PFL) refers to policies that allow employees to take time off from work with pay to bond with a new child, care for a sick family member, or to handle other significant family situations (like military deployment) by providing a portion of their wages while on leave.

“Parental leave” or “bonding leave” are terms used to describe the usage of PFL specifically by new parents. Throughout this analysis, we use the terms “PFL for bonding” or “parental bonding leave” interchangeably.

To be eligible for PFL policies, most states require that individuals are “active in the labor force,” meaning they are currently either employed or actively seeking employment. In addition, states may impose additional requirements (e.g., currently employed, time worked, wage minimums) to access these benefits. Beyond state policies, many employers also independently provide wage replacement and job protection for employees that have parenting or family situations that require time off. These privately provided benefits may substitute for, or be provided “on top of,” any public benefit.

Due to availability of data, this analysis focuses only on state PFL usage, looking at the subset of claims for parental bonding.



To address these gaps in understanding, Moms First and McKinsey embarked on a first-of-its-kind analysis of census and state bonding claims data from the three of the longest-standing PFL programs (in New York, New Jersey, and California), together with a survey of more than 2,000 new parents, to provide a new perspective on who is (and isn't) using PFL for parental bonding, the satisfaction of parents who do use it, and opportunities to reduce barriers keeping parents from enjoying its many benefits.

Our results unearth a striking paradox: Parents are almost twice as likely to be satisfied with these parental bonding leave policies as with other state government services, but eligible parents are less likely to use PFL for bonding than comparable benefits, such as unemployment benefits.^v More specifically, we find that, in the states analyzed, only two out of five eligible parents used state PFL for bonding in 2022, a benefit worth \$6,000 to \$10,000 per parent who did not take any state PFL for bonding. This amount could cover a full year of future child care services for many families, with median annual child care costs ranging from \$6,552 to \$15,600, in addition to potentially reducing child care needs within that year.^{vi} Parents who do not use

or underutilize parental bonding leave also left around 6 million total weeks of bonding time on the table – time that one parent surveyed described as “crucial to supporting [their] family during an important and exciting transition.”

What's behind this paid family leave paradox? And what can families, employers, and governments stand to gain by increasing parents' usage of PFL for bonding, and how?

Who is (and isn't) using paid leave and why

Eligibility

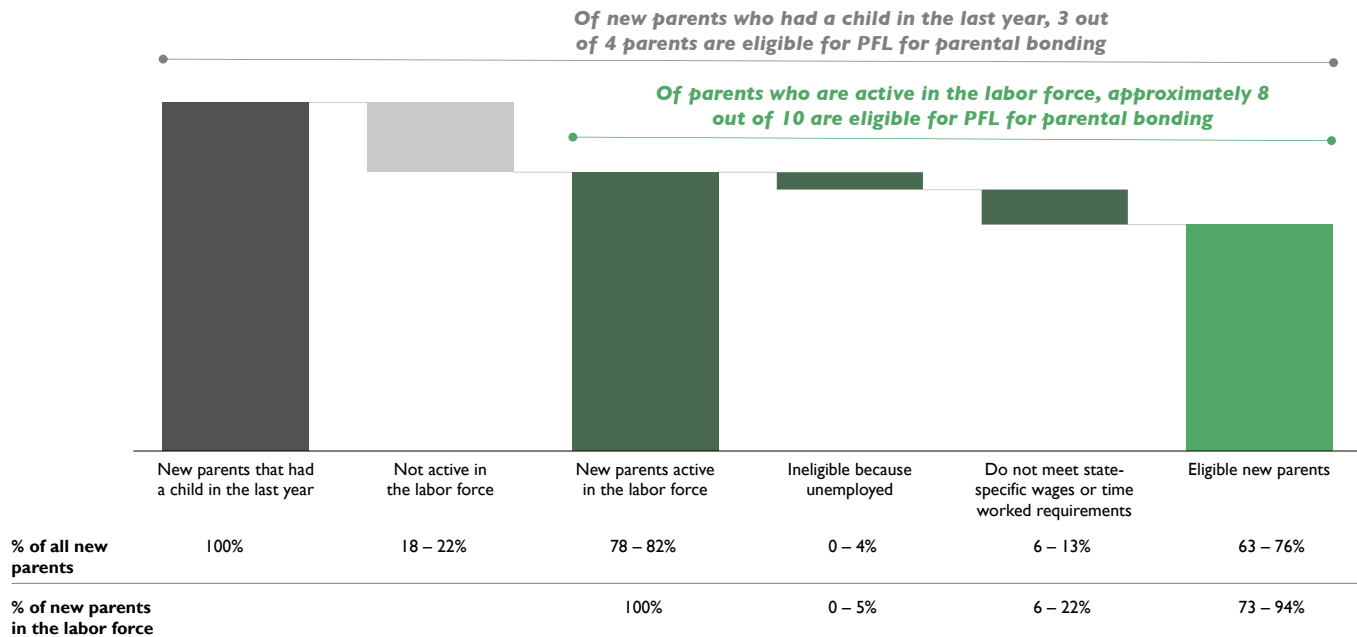
While mandatory PFL policies vary across the states that have them, they often have similar structures. Typically, states provide bonding benefits to parents who are active in the labor force and who meet state-specific time worked or earnings thresholds. For those who are deemed eligible, benefits take the form of partial wage replacement, with exact amounts depending on wages earned (typically between 60 and 85 percent).

Key differences across mandatory state policies include the wage replacement rate, length of leave available, and eligibility thresholds in terms of dollars earned or weeks worked. In most states with mandatory policies, including New Jersey and California, paid family leave policies are structured as a social benefit, where individuals apply and access benefits through the state itself. New York, by contrast, provides PFL as a private

benefit, meaning that employers are required to provide paid leave benefits; since individuals apply and access PFL via their employers, the policy also requires continuous employment with the same employer.

While these differences in state policy result in variations in rates of eligibility, all states show similar patterns in terms of eligibility drivers. Across states, roughly 20 percent of parents are not eligible because they are inactive in the labor force – by far the biggest driver of ineligibility. Among those active in the labor force, however, roughly 8 in 10 parents are eligible for PFL coverage across the three states analyzed. Up to 5 percent of parents are deemed ineligible because they are not employed (in states where that is a requirement) and the remainder do not meet state-specific thresholds for wages or time worked.

The eligibility funnel



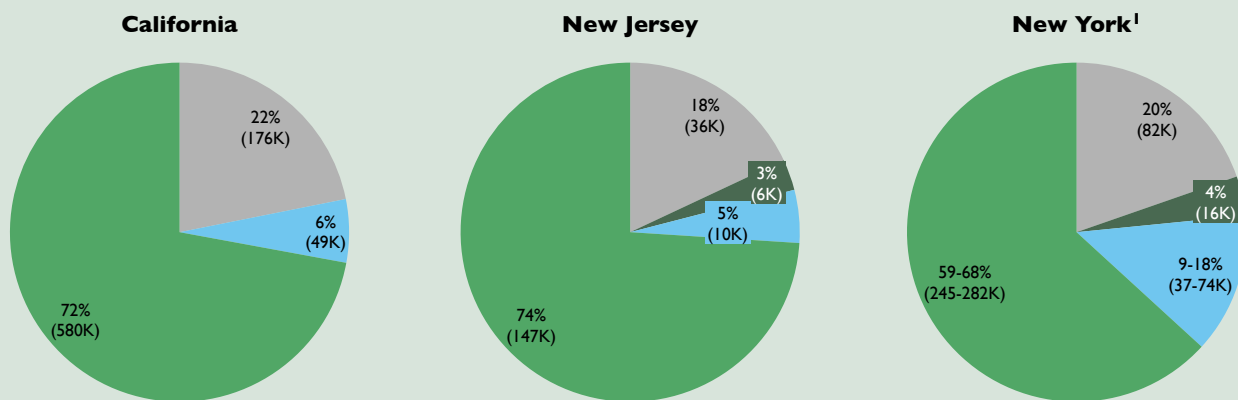
Source: NY DFS, CA EDD, NJ DOL, ACS Survey 2022; Bureau of Labor Statistics, [Employee Tenure in 2022](#); Bureau of Labor Statistics, [Industry employment and wage data](#)

Eligibility for paid leave in the states studied

While most parents who are active in the labor force are eligible for PFL for bonding in all three states analyzed, policy structure and eligibility requirements do differ. California and New Jersey, for example, both structure paid leave as a social benefit, provided by the state government and funded through pooled payroll taxes. While California does not require individuals to be actively employed, both states have wage requirements (in California, \$300 within the past year, and in New Jersey, 20 weeks of work and wages of at least \$283 a week), which make 3 to 6 percent of parents ineligible. By contrast, New York structures paid leave as a private benefit, provided by employers; as such, employees must work a certain amount of time, continuously, for the same employer. This requirement leaves an additional ~10 to 20 percent of parents ineligible for PFL.

Percentage of parents that had a child in the past year

■ Ineligible because inactive in the labor force ■ Ineligible because unemployed ■ Ineligible because did not meet state-specific wage or work time requirement² ■ Eligible



¹ See appendix for explanation of ranged values for New York

² Of those that are employed

Source: NY DFS, CA EDD, NJ DOL, ACS Survey 2022; Bureau of Labor Statistics, [Employee Tenure in 2022](#); Bureau of Labor Statistics, [Industry employment and wage data](#)

Utilization

Only two out of five eligible parents used state PFL for bonding in 2022, a benefit worth \$6,000 to \$10,000 per parent who did not take any state PFL for bonding.

Among those who are eligible, we found meaningful patterns in utilization across states:

- **Women are significantly less likely to be eligible overall**, due in part to women's lower participation in the labor force, a phenomenon that is closely related to the unequal gender distribution of child care responsibilities and limited child care support for many working parents.^{vii} These factors may also contribute to the higher rates of parental bonding leave utilization by eligible women

Only two out of five eligible parents used state PFL for bonding in 2022, a benefit worth \$6,000 to \$10,000 per parent who did not take any state PFL for bonding.

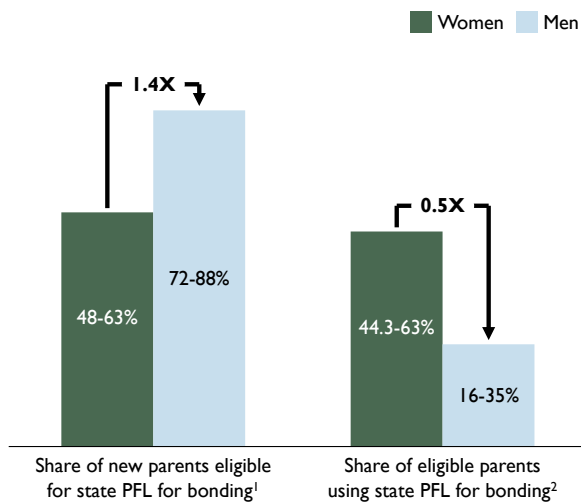


- **Men are about 25 percentage points more likely to be eligible** — but approximately half as likely to use parental bonding leave benefits. As a result, men account for most of the total weeks of unused PFL for bonding benefits (nearly 4 million weeks of potential bonding leave in 2022 across the three states)
- **Lower-wage workers are less likely to be eligible and use PFL for bonding** because of employment and wage eligibility requirements, even though these workers and their families might stand to benefit the most. Those earning less than \$40,000 a

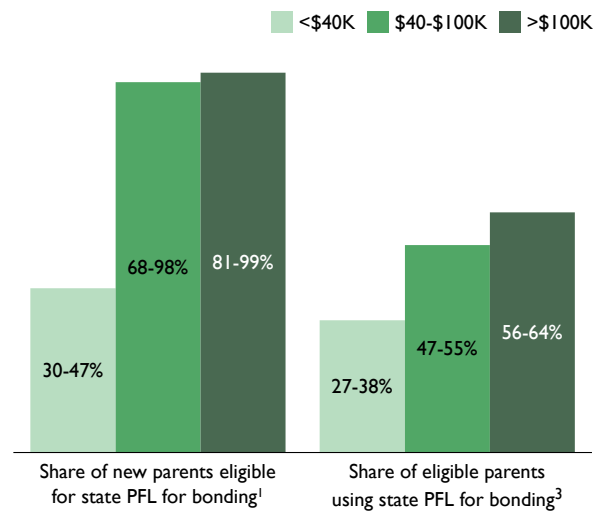
year are also less than half as likely to use leave as those earning more than \$100,000 – likely due to a combination of factors (including awareness, job loss fears, and wage replacement considerations)

- **Hispanic/Latino and Black parents are less likely to be eligible for PFL for bonding** due to lower rates of meeting the labor force participation, employment, and wage/weeks worked requirements. Hispanic/Latino parents are also the least likely to use PFL for bonding when eligible, whereas Black parents’ utilization exceeds state averages

Eligibility and uptake of PFL for bonding by gender



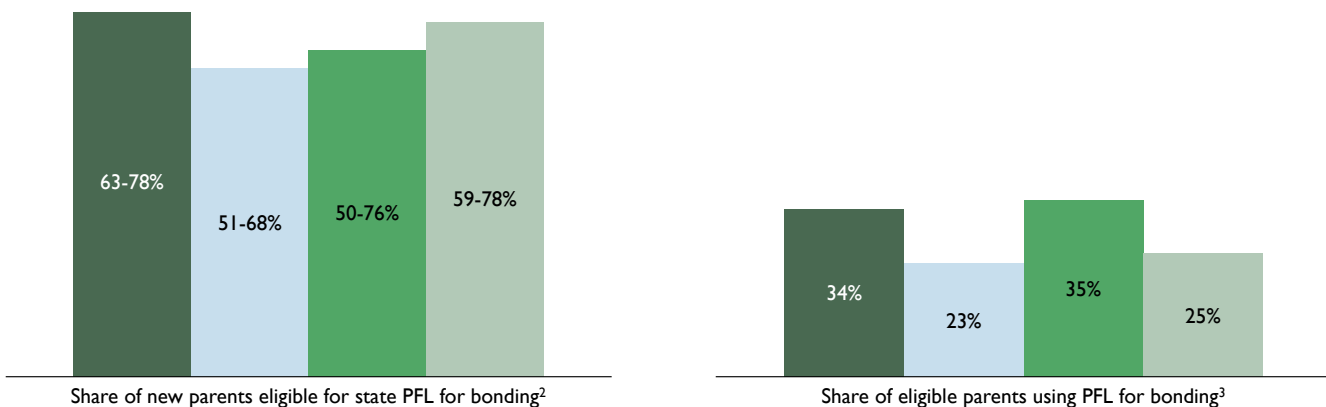
Eligibility and uptake of PFL for bonding by annual wage



1. Range of New York, New Jersey, and California eligibility rates
 2. Range of New York and New Jersey data due to data availability
 3. New York data only due to data availability
 Source: NY DFS, CA EDD, NJ DOL, ACS Survey 2022; Bureau of Labor Statistics, [Employee Tenure in 2022](#); Bureau of Labor Statistics, [Industry employment and wage data](#)

Eligibility and uptake of PFL for bonding by race/ethnicity¹

White (dark green), Hispanic/ Latino (light blue), Black (medium green), Asian or Pacific Islander (light green)



1. Race / ethnicity categories other than Hispanic / Latino do not include those that also identify as Hispanic (e.g., White refers to White and Not Hispanic, Black refers to Black/African American and Not Hispanic). Native populations excluded due to low sample size
 2. Range of New York, New Jersey, and California eligibility rates
 Source: NY DFS, CA EDD, NJ DOL, ACS Survey 2022; Bureau of Labor Statistics, [Employee Tenure in 2022](#); Bureau of Labor Statistics, [Industry employment and wage data](#)

Drivers and barriers of uptake

To understand the why behind these claims data patterns, we conducted a survey of over 2,000 parents in the states in question in late 2024, to understand why they did (or didn't) use parental bonding leave benefits, and their satisfaction with the process if they did. The responses revealed several barriers to using paid family leave bonding benefits:

“

I would have taken PFL if I knew it existed and was available to me” - California father earning \$40,000-\$60,000 in annual wages



Awareness gaps: Of the survey respondents who were eligible for state paid family leave for bonding but did not use the benefit, roughly 60 percent didn't know it was available to them.

“

I would have taken PFL if I could afford it and wouldn't lose my job.” - New York mother earning \$60,000-\$80,000 in annual wages



Economic and career considerations: Over two-thirds of those who did not take leave feared job losses, career setbacks, and believed that they couldn't afford to take

leave. These concerns rank highest among low-wage earners. As one survey respondent said, “I would have taken PFL if I could afford it and wouldn't lose my job.” This concern persists in New York, where job protection is included in the PFL policy, as well as in New Jersey and California, where many workers receive job protection through separate policies.

“

I would have taken PFL if my presence was crucial to support my partner because they had a difficult birth or were recuperating from surgery” - New York father earning \$20,000-\$40,000 in annual wages



Societal beliefs: Though stigma does play a significant role in the decision not to use paid family leave for bonding, our research found that the most prevalent belief among men was that they did not need to take leave if their partners took it. This perception both arises from and contributes to the well-documented unequal distribution of childcare between genders^{viii}.

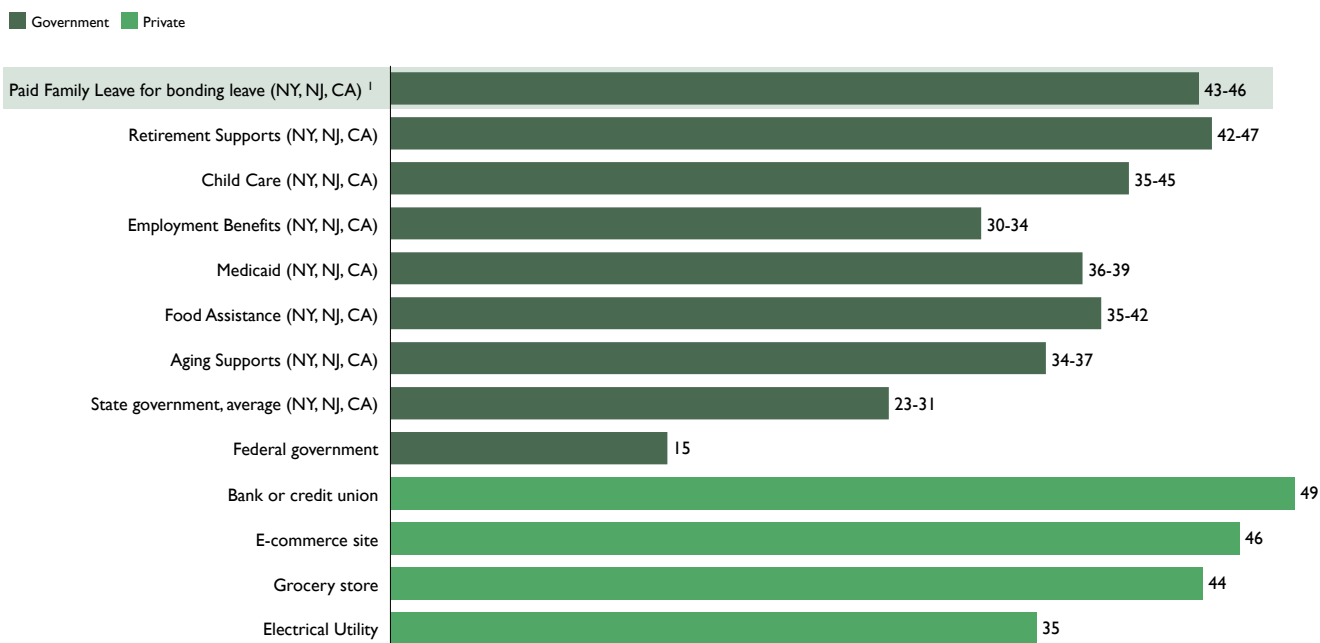
What parents think about their experience with PFL for bonding

Importantly, parents who use PFL for bonding value it very highly. Almost half of those who applied for benefits within the last three years in the states studied were very satisfied with their experience, ranking their

satisfaction as a 9 or 10 out of 10. On average, they were almost twice as likely to be satisfied with state PFL for bonding as with other state government services on average.

Share of respondents that reported being highly satisfied with a service

% respondents who selected 9 or 10, 10 being they were extremely satisfied



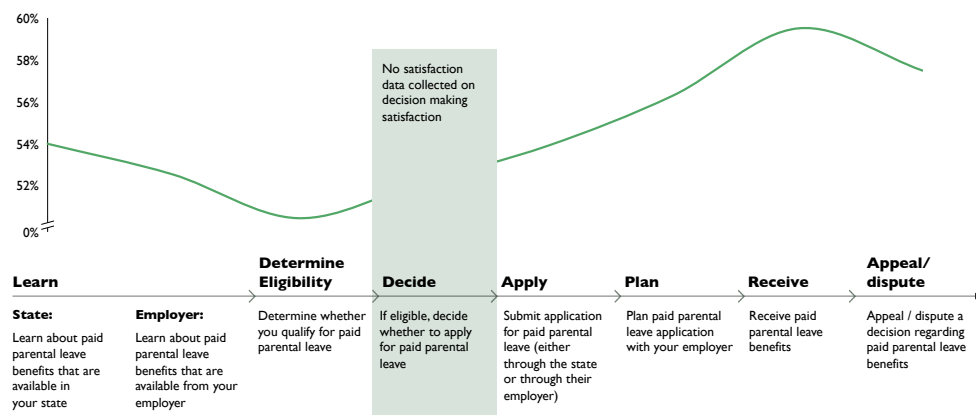
¹ Question asked in separate consumer Paid Parental Leave Survey of NY, NJ, and CA residents. Asked of all respondents who applied for paid parental leave in the past three years. % of respondents who selected 9 or 10 on a scale of 1-10, 10 being "extremely satisfied", N=1905 overall
 Source: [McKinsey Study of State Government Customer Experiences, 2022](#), [McKinsey Consumer Delight Research, 2024](#) (surprise correlated with higher satisfaction scores), McKinsey Paid Parental Leave Consumer Survey, 2024



However, parents are not equally satisfied with every phase of the experience. Satisfaction is highest when receiving benefits and lowest when learning about paid family leave, determining eligibility, and submitting applications. The complexity of applications was a factor for nearly

60 percent of parents who did not apply for PFL for bonding leave. As one survey respondent shared, “Every time I try to apply, it just takes more time than it’s worth.” In the words of another, “There’s a lot of qualifications and a lot of jargon and run-around that you have to go through.”

Share of respondents highly satisfied, by phase of the experience¹



1. N=1905 overall, average of New York, New Jersey, and California Satisfaction
Source: McKinsey Paid Parental Leave Consumer Survey, 2024

More than 70 percent of the parents surveyed reported relying on their employer for information about PFL for bonding, even where paid leave is structured as a social benefit provided by the state government. As one survey respondent said, “Learning about the state parental leave benefits available to me was messy because no one in the school district that I worked in was volunteering any information to help me.”

Across all phases of the experience, low-wage workers (earning less than \$40,000 a year) and those working for a small employer (fewer than 50 employees) are less satisfied than other parents. Large employers typically have greater ability to help parents learn about and apply for benefits, potentially contributing to the fact that their employees are, on average, more satisfied with their experience.



Every time I try to apply, it just takes more time than it’s worth.

There’s a lot of qualifications and a lot of jargon and run-around that you have to go through.



Learning about the state parental leave benefits available to me was...messy because nobody in the school district that I worked in was volunteering any information to help me.



Improving access and satisfaction will take the proverbial village

There's more that can be done to ensure the benefits of parental bonding leave are available to those who need them, and there is a role for many different stakeholders and tools to increase access:

- **Public engagement:** Directly engage the public and providing learning materials to supplement state and employer resources can improve awareness, particularly for lower-wage workers and those working at smaller employers. To address lower uptake among fathers, key messages may emphasize the value of both parents taking PFL for bonding, as well as equipping parents with resources to help plan their leave schedules
- **Employers:** Parents are more likely to learn about state paid family leave for bonding from their employers than through government resources or peers. Employers' roles in supporting applications, however, vary across states. In New York, for example, employers are deeply engaged throughout the process due to the policy's structure as a private benefit. In some states where PFL is structured as a social benefit, employers are asked to support parents in reporting their wages and time worked but are not required to complete a section of the application; in these states, clarifying the roles and responsibilities of employers can not only help employees navigate applications, but also reduce application errors and the resulting rejections of claims. In addition, employers may also play crucial roles in establishing policies and programs that minimize the career implications of taking leave (e.g., providing transition support and phased return options)
- **State governments:** States that require parents to apply for paid leave through government websites could streamline processes for learning about and navigating applications, thus enhancing the user experience. This can include improving existing information online (e.g., sharing instructional videos on how to complete applications, providing more comprehensive FAQs). Other opportunities to improve user experience could include simplifying messages around eligibility, increasing transparency around application requirements and approval timelines, offering multiple methods of payment receipt (e.g., direct deposit and debit card), and addressing long wait times on state helplines via call center optimization, chat bots, and other GenAI-based tools. Some states are also applying best practices from the private sector to their services, including hiring chief experience officers and regularly collecting data on applicants' experiences^{ix}
- **Technology:** Technology can help to bridge the gap between policy and practice. Given the wide range of family and employment circumstances amongst parents, there is an opportunity for tools like Paid Leave AI to provide one-on-one personalized support as parents learn about paid leave policies and navigate applications. This tool, accessible 24/7 and in the user's preferred language, helps parents find answers to their specific paid leave questions whenever they need them, in the language they understand best. This includes helping parents calculate the benefit amount that they are eligible to receive, allowing them to budget and plan accordingly. It can also provide direct assistance to parents as they complete portions of their applications, explaining, for example, how to find the correct wage information

Conclusion

Working parents don't just want PFL for bonding—they need it. As one parent put it, "There's no way I could have gone back to work. I do not understand how people can do it." Evidence has shown that expanding access to paid parental leave leads to significant benefits, including improved maternal and child health, increased workforce participation, and greater economic stability. Yet, too many parents remain unaware that state PFL for bonding is available, and even those who are aware often feel forced to choose between time with their newborn and financial stability. As a result, nearly 60 percent of eligible parents forgo \$6,000 to \$10,000 in benefits—an amount two to three times the amount of the pandemic-era 2021 Child Tax Credit, which drove a

historic reduction in child poverty. Barriers to accessing PFL are further compounded by the high cost of quality child care, leaving many parents—especially mothers—feeling trapped in a no-win situation. This, in turn, reduces mothers' workforce participation, limiting their future eligibility for PFL.

The challenges working parents face are real, but they are not insurmountable. By working together, states, employers, and advocates can ensure that paid leave is not just a policy on paper, but a truly accessible resource for all families. The benefits—stronger families, a more resilient workforce, and a healthier society—make it an investment well worth making.



Appendix

PFL for bonding eligibility and utilization analyses are based on 2022 policies, census data, and PFL for bonding claims data from three states – New York, New Jersey and California.

Eligibility

For the purposes of this analysis, an eligible parent is defined as a parent of a child under 1 years of age who meets their state’s specific eligibility requirements. Census ACS data is used to identify parents who have given birth in the last 12 months or are the cohabitating partner of the birth mom. This approach captures birth moms (including surrogates and birth moms who do not reside with their children), as well as all spouses or partners in the same household. This approach does not capture foster and adoptive

parents or spouses or partners of the birth mom who do not reside in the same household.

State-specific eligibility requirements typically include employment, wages earned or weeks worked (see table below), which are captured from the 2022 American Community Survey (ACS) and the Bureau of Labor Statistics (BLS). To estimate the share of workers who have worked continuously with the same employer (a requirement in NY), this analysis cross walks ACS data on the share of full-time and part-time employees that have worked ≥ 26 weeks (across all employers), the share that have worked $<$ or ≥ 20 hours/week, and BLS data from January 2022 on the share of the workforce that has been in their role for less than a year. As a result, analysis of eligibility and usage in New York is ranged.

Paid Family Leave policy detail, 2022 – selected states

	New York	New Jersey	California
Policy structure	Private insurance (requires employers to purchase PFL plans from private insurance market)	Social insurance (funds programs through pooled payroll taxes)	Social insurance (funds programs through pooled payroll taxes)
Eligibility requirements	Labor force activity	Active ¹	Active
	Employment status	Employed	Employed
	Wages / weeks worked requirements	26 consecutive weeks of full-time (20+ hours) employment -or- 175 non-consecutive part-time working days	20 weeks of work earning at least \$283 weekly or \$14,200
Weeks of parental leave available within a year	12 weeks	12 weeks if taken consecutively, 8 weeks if taken intermittently	8 weeks
Wage replacement rate	67% of AWW ²	85% of AWW	Sliding scale ³ (approx. 60-70% AWW)
Max weekly benefit	\$1,151	\$1,055	\$1,620
Job protection	Yes ⁴	No	No

1. Active in the labor force refers to being either employed or unemployed
 2. AWW=average weekly wage
 3. If your highest quarterly earnings are <\$929, your weekly benefit amount is \$50. If it is between \$929 and \$7154, your weekly benefit is 70% of your earnings. If more than \$7,154, your weekly benefit amount is 60% of your earnings
 4. Employee is entitled to return to the same job or a comparable one after returning from PFL

Source: Bipartisan Policy Center, New Jersey Department of Labor, California Employment Development Department, NY DFS, CA EDD, NJ DOL

Usage

To size utilization of PFL for bonding, this analysis uses claims data from the following sources:

- [New York DFS Paid Family Leave Report](#)
- [New Jersey DOL Family Leave Insurance Report](#)
- [California EDD Paid Family Leave Monthly Data](#)

Usage by demographic analysis is conducted where data is publicly available, given assumptions would significantly skew opportunity at stake by demographic.

This analysis does not capture:

- Any employer-provided leave that may be utilized in lieu of, or in addition to, state provided benefits
- Temporary Disability Insurance that may be taken as part of medical necessity during pregnancy or after delivery

Satisfaction

Survey data on satisfaction with PFL for bonding is based on an online survey conducted between October 2024 and January 2025, with a sample of 2,152¹ individuals (947 in NY, 451 in NJ, and 754 in CA) who have had a child in the past three years. In addition to key demographic information, the survey asked for respondents for information on experiences across the consumer journey of applying for Paid Family Leave for bonding. Results were then weighted using the distribution of parents of children <1 (from Census ACS Survey 2022) by state and key demographics (gender, race/ethnicity, wage, employment status)

Two sets of questions were asked:

- I. To understand why parents did not use or underutilized paid parental leave, they were asked whether that they agree (1-5) with the following statements:
 - I did not know that Paid Family Leave for bonding was available to me
 - I did not know [# of weeks available in state] weeks were available to me
 - I knew Paid Family Leave for bonding was available in my state, but believed I was not eligible
 - I could not understand the eligibility requirements or application process, so did not apply
 2. To understand the experience of those who did use paid family leave for bonding, respondents were asked to rate their satisfaction (1-10) with:
 - I could not afford to take it (i.e., the benefits were too low)
 - I was afraid I would fall behind at work / my career would suffer
 - I was afraid of losing my job
 - My job did not have a flexible structure
 - I worried there would be a stigma if I took leave
 - My partner was taking leave, so I did not believe it was necessary / warranted the trade-offs
- Learning about paid family leave benefits for bonding that are available in your state
 - Learn about paid family leave benefits for bonding that are available from your employer
 - Determine whether you qualify for paid family leave for bonding
 - Submit application for paid family leave for bonding (either through the state or through their employer)
 - Plan paid parental family leave for bonding application with your employer
 - Receive paid parental family leave for bonding benefits
 - Appeal / dispute a decision regarding paid family leave for bonding benefit

-
- i. Bipartisan Policy Center
 - ii. Bipartisan Policy Center, Kozak K, Greaves A, Waldfogel J, et al.
 - iii. Goldin, Claudia, and Joshua Mitchell
 - iv. National Partnership for Women and Families, Bipartisan Policy Center
 - v. US State of States Benchmark
 - vi. National Database of Childcare Prices 2022
 - vii. Bipartisan Policy Center
 - viii. American Time Use Survey, 2022
 - ix. McKinsey, How US government agencies can meet public demand for better service, 2023

McKinsey
& Company

MOMS F1RST