



**Business Smart.**  
**Family Friendly.**  
**Future Ready.**



# **Paid Family Leave Works**

Supporting Families and Strengthening North Carolina's Workforce



**The NC Early Childhood Foundation (NCECF) marshals North Carolina’s great people, ideas, and achievements so every child has a strong foundation for lifelong health, education, and well-being, supported by a comprehensive and equitable care and education system, from prenatal through third grade.**

NCECF leads Family Forward NC®, our innovative initiative that supports employer-led change to increase access to research-based, family-friendly practices—big and small—that improve workplace productivity, recruitment, and retention; grow a strong economy; and support children’s healthy development.

Family Forward NC®’s mission is to engage, support, and promote employers of all sizes and in all sectors in adopting family-friendly policies that improve child and family health and well-being and provide direct business benefits to employers.



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## EXECUTIVE SUMMARY

**Paid family, parental, and sick leave have emerged as essential workforce supports in the United States. While federal policy has largely stalled, states and employers have moved forward, creating a growing body of evidence that paid leave strengthens workforce participation, improves retention, supports families, and stabilizes the economy.**

This report synthesizes findings from recent national and North Carolina-specific resources to examine trends in paid leave policy, documents the impacts on workers and employers, and offers practical recommendations for businesses of all sizes.

The well-being of parents is directly linked to that of children. Parents are increasingly faced with the pressures of parenting—from concerns about their child’s physical safety to managing their child’s social media, finding child care and afterschool care, and juggling their work and family responsibilities. These parenting pressures are impacting the mental health of parents and caregivers. Workplace supports are vital to alleviate these pressures and support parents’ mental health, which in turn helps children thrive. (U.S. Department of Health & Human Services, 2024)

Across the country, states are increasingly treating paid leave as economic infrastructure, much like transportation or broadband. In North Carolina, state government and forward-thinking employers have demonstrated that paid leave is feasible, effective, and beneficial, even for small organizations. This report concludes with tailored guidance for small and large businesses seeking to adopt or strengthen paid leave policies.

### The National Landscape of Paid Leave

#### *Federal Gaps and State Leadership*

The United States remains a global outlier when it comes to paid leave. It is one of only a handful of countries that does not guarantee paid sick leave or paid family leave at the national level. While some workers receive paid leave through their employers, access remains uneven and strongly tied to income, job type, and employer size.

*The Family and Medical Leave Act of 1993 only requires employers to offer unpaid leave for up to 12 weeks within 12 months to care for a newborn, adopted, or foster child, to care for a family member, or to attend to the employee’s own serious medical condition. (USDL Family and Medical Leave Act (FMLA))*

As federal progress has stalled, states have stepped in. As of early 2026, fourteen states and the District of Columbia have enacted mandatory paid family leave systems, and nine additional states operate voluntary systems through private insurance markets (State Paid Family Leave Laws Across the U.S., April 2026). Most of these laws provide paid parental leave, family caregiving leave, and temporary disability insurance for personal medical needs.

States are serving as laboratories of innovation as paid sick leave requirements increase. Eighteen states now require employers to pay for sick leave. (KFF 2025). They are testing different funding models, benefit levels, and eligibility rules, creating real-world evidence that paid leave policies can work across diverse political and economic contexts.



### What the Evidence Shows

Data from large employers and state programs consistently show that paid leave improves employee retention and workforce stability. Workers without access to paid sick leave or paid family leave were significantly more likely to quit their jobs during the COVID-19 pandemic (U.S. House Select Subcommittee on the Coronavirus Crisis, 2022). In contrast, workers who used paid family or caregiving leave were far more likely to remain employed, receive raises, and earn promotions.

Paid leave also supports productivity. When workers can take time to recover from illness, care for a new child, or support a loved one, they are better able to return to work focused and engaged. Employers benefit through lower turnover, reduced recruitment costs, and improved morale.

### Paid Leave and Paid Sick Leave in the U.S.

#### Access Remains Unequal

While most U.S. workers have access to some paid sick leave, nearly one in four does not. Low-wage and hourly workers are the least likely to have paid sick leave, even though they are more likely to work in jobs that require in-person attendance and offer little flexibility.

Even when paid sick leave is available, many workers report feeling unable to use it due to workplace culture, fear of retaliation, or concerns about job security. This limits the effectiveness of policies that exist on paper but are not supported in practice.

#### Public Health and Economic Benefits

Universal paid sick leave strengthens public health by reducing the spread of illness in workplaces and communities. Access to paid sick leave also saves lives. Workers who have paid sick days are more likely to access preventative health care services, and are associated with a significant reduction in mortality due to suicide and homicide for men, and homicide and alcohol-related deaths for women. (Wolf 2022) It also supports businesses by lowering absenteeism-related disruptions and preventing turnover driven by unmanaged illness or caregiving demands. The data consistently show that paid sick leave is not only a worker benefit but a business asset.



*Looking for information about federal leave benefits, including sick leave and the Family and Medical Leave Act?*

[Visit the U.S. Department of Labor's Benefits and Leave page.](#)

### State Innovation in Paid Leave

With limited federal action on paid family and medical leave, states have become the primary drivers of policy innovation. Across the country, states are testing and refining paid leave policies based on real-world experience, evidence, and family needs. The examples below show how different states have strengthened paid leave by increasing affordability, expanding eligibility, addressing gaps during pregnancy and medical crises, and making benefits easier for workers to use.

### ***Higher wage replacement: California and Rhode Island***

States such as California and Rhode Island show that higher wage replacement rates lead to greater use of paid leave, especially among lower-wage workers. California increased wage replacement for lower-income workers to as high as 90 percent, leading to a measurable increase in participation. Rhode Island also expanded wage replacement and leave duration over time, showing that paid leave programs can be strengthened as evidence and experience grow.

### ***Expanded family definitions: California and Vermont***

Several states have updated paid leave policies to reflect real caregiving relationships. California expanded family caregiving leave to include a “designated person,” recognizing that close relationships extend beyond immediate family members. Vermont made similar updates to its leave laws, allowing workers to care for a broader range of relatives and loved ones, making paid leave more responsive to how families actually function.

### ***Specialized leave: New York and Colorado***

New York and Colorado have adopted specialized paid leave policies to address gaps faced by families during pregnancy and medical crises. New York now provides paid prenatal leave so pregnant workers can attend medical appointments without losing pay. Colorado became the first state to offer additional paid leave for parents with babies in a neonatal intensive care unit, allowing families to be present during extended hospital stays without using all of their leave before the child comes home.

### ***Job protection and flexibility: Washington and Connecticut***

Washington strengthened job protections by expanding coverage to workers at smaller businesses and reducing job tenure requirements. The state also allows paid leave in smaller increments, making it easier for workers to manage ongoing caregiving needs. Connecticut expanded access to paid leave for school support staff and other non-certified employees, removing barriers that previously excluded many part-time and public-sector workers.

### ***What State Examples Show***

Taken together, these state examples show that paid leave policies improve when they are designed to work for real families and real jobs. Higher wage replacement, inclusive family definitions, specialized leave options, and strong job protections all increase the likelihood that workers can actually use the benefits available to them. These lessons offer practical guidance for employers and policymakers in North Carolina as they consider how paid leave can support families, strengthen the workforce, and improve economic stability.

## North Carolina's Paid Leave Context

### *Economic and Workforce Pressures*

North Carolina's economy depends on a stable workforce, yet many families face rising costs for housing, health care, and child care. When workers lack access to paid leave, they are more likely to leave the workforce, reduce hours, or turn down advancement opportunities. These individual decisions add up to significant economic losses for businesses and the state.

### *State Government Leadership*

North Carolina has taken meaningful steps by guaranteeing paid parental leave for state, public school, and community college employees. Under the expanded policy, adopted in 2026, employees can take 12 weeks for full-time workers. It includes leave for a newborn biological child or a newly placed adopted, foster, or otherwise legally placed child under age 18 whose parent is a leave-eligible state employee. It provides prorated leave for part-time state employees and allows for paid leave following a miscarriage or death of a child during birth. Employees who take this leave will not exhaust their vacation or sick leave. This policy demonstrates that paid parental leave is feasible and scalable and can be administered consistently across a large and diverse workforce.

### *Employer Examples and Proof Points*

North Carolina employers, including public agencies and small nonprofits, have demonstrated that paid leave policies can be successfully implemented regardless of organizational size. Small organizations, in particular, have demonstrated that thoughtful policy design and advanced planning can address cost and coverage concerns.

*Family Forward NC® case studies show that offering paid leave leads to improved employee morale, reduced family stress, and stronger retention. [See how North Carolina employers are making it work.](#)*







## Why This Matters for North Carolina Now

North Carolina is at a turning point. Families are facing rising costs for child care, housing, and health care, even as employers struggle to find and keep workers. Paid leave sits at the center of this challenge because it directly affects whether parents can stay in the workforce, whether children have stable care, and whether businesses can operate at full strength.

For many North Carolina families, the early years of a child's life are the most financially and emotionally demanding. When a parent welcomes a new child, experiences a pregnancy loss, or needs time to care for a loved one, the absence of paid leave can force impossible choices. Parents may return to work before they are ready, leave the workforce entirely, or patch together unstable child care arrangements. These disruptions affect not just families, but employers who lose skilled workers and communities that lose income and productivity.

Paid leave supports child care stability by giving families time to recover, bond, and plan. When parents have paid time at home, they are better able to secure reliable child care, ease transitions back to work, and avoid repeated disruptions caused by illness or caregiving emergencies. This stability benefits children's development and helps parents remain dependable employees.

Workforce participation is especially important for North Carolina's economic competitiveness. Parents without paid leave are more likely to quit jobs, reduce hours, or turn down training and promotions. Over time, this weakens the talent pipeline and makes it harder for businesses to grow. Paid leave helps parents stay connected to work, build skills, and advance in their careers while still meeting family responsibilities.

North Carolina's experience with paid parental leave for state employees shows what is possible (North Carolina Office of State Human Resources; NCECF Business Smart Case Study). The policy demonstrates that paid leave can be clearly defined, fairly administered, and responsive to real family needs, including birth, adoption, foster placement, and pregnancy loss. It also shows that family-friendly policies strengthen morale and retention across a large workforce.

For North Carolina to remain competitive, families must be able to work and care for their children at the same time. Paid leave is not just a benefit for individual employees. It is a practical tool that supports family well-being, stabilizes child care, and helps businesses keep the workers they rely on. Treating paid leave as part of the state's workforce infrastructure is a smart investment in North Carolina's present and future.

## What Paid Leave Means for Employers

### Recruitment and Retention

Across sectors, paid leave is increasingly viewed as a baseline expectation rather than a luxury. Employers that offer paid parental and sick leave are better positioned to attract talent and retain experienced workers, especially in competitive labor markets.

Replacing an employee is costly. The Society of Human Resource Management (SHRM) estimates employee replacement costs anywhere from 50% to 200% of their annual salary. (SHRM, 2025) When employers compare the cost of offering paid leave with the cost of turnover, paid leave often proves the more economical choice.

### Workplace Culture and Equity

Clear, inclusive paid leave policies help create a culture of trust and fairness. When policies are applied consistently across roles and departments, employees are more likely to view them as equitable and legitimate.

Inclusive definitions of family and flexible leave policies recognize that caregiving responsibilities extend beyond traditional models.

[Read the current North Carolina State Paid Parental Leave Policy in the State Human Resources Manual from the Office of State Human Resources.](#)



### Work That Works for Families

## Paid Leave Is Part of the Blueprint at STITCH Design Shop

In an industry known for long hours and tight deadlines, STITCH Design Shop is proving that high performance and family support can go hand in hand. The Winston-Salem-based architecture firm, with 25 employees across three North Carolina locations, offers paid parental leave that rivals policies at much larger firms. Employees who give birth receive eight weeks of paid leave, and mothers, fathers, and parents through foster care or adoption receive four weeks of paid leave, with flexibility in how that time is used.

For architect Devon Leonard, who became a father in March 2025 when his child arrived three weeks early, that flexibility mattered. STITCH adjusted his workload so he could take two weeks immediately and use the remaining two weeks later. The company even sent a care package to his family. In a field where many professionals rely solely on PTO for parental leave, STITCH's policy reflects a deeper belief that supporting families strengthens the entire team.

Paid leave at STITCH is part of a broader commitment to stability and well-being. Paid Time Off begins on day one of employment. The firm also provides paid bereavement leave, paid jury duty leave, short-term disability coverage, and paid time for community service. By building paid leave into its foundation, STITCH is redesigning workplace culture to recognize employees not just as architects and designers, but also as parents, caregivers, and community members.

**Get inspired by STITCH and other businesses:** [How STITCH Design Shop Is Redesigning Workplace Culture | Family Forward NC](#)



## Recommendations for Small Businesses

Small businesses (up to 500) often face unique challenges, including limited staffing and tight budgets. However, evidence from North Carolina and beyond shows that paid leave is achievable with careful planning.



### ***Design Flexible Policies***

Small businesses can start by offering partial pay, shorter durations, or phased return-to-work options. Flexibility allows employers to balance business needs while still providing meaningful support.



### ***Plan for Coverage***

Planning is critical. Employers can temporarily redistribute work, pause nonessential projects, or use part-time contractors or interns to cover key responsibilities.



### ***Focus on Retention***

Small businesses benefit disproportionately from retaining skilled employees. Paid leave helps preserve institutional knowledge and strengthens loyalty.



### ***Create Clear, Written Policies***

A simple, written policy ensures consistency and reduces uncertainty for both employees and managers.

## Recommendations for Larger Businesses

Larger employers (500+ employees) have greater capacity to implement comprehensive paid leave policies and can play a leadership role in normalizing paid leave.



### ***Offer Comprehensive Paid Leave***

Providing fully paid parental and sick leave signals commitment to employee well-being and long-term workforce stability.



### ***Use Data to Refine Policies***

Larger organizations can track usage, retention, and employee feedback to continuously improve their paid leave programs.



### ***Align Paid Leave With Equity and Workforce Goals***

Consistent, organization-wide policies reduce disparities between salaried and hourly workers and support advancement for women and caregivers.



### ***Lead by Example***

Large employers can influence industry norms and demonstrate that paid leave is a standard business practice, not a special perk.



### *Work That Works for Families*

## **Paid Leave That Supports Families at Every Stage: Vontier's Commitment to Working Parents and Caregivers**

At Vontier and its Greensboro-based company Gilbarco Veeder-Root, paid leave is a core part of a benefits strategy designed to support employees on and off the job. With more than 8,000 employees worldwide and approximately 1,000 in Greensboro, the company offers six weeks of paid parental leave for all parents, along with adoption assistance to help families grow. This inclusive approach recognizes that bonding time matters, whether a child arrives by birth, adoption, or foster placement.

Vontier also understands that caregiving extends beyond welcoming a new child. Employees have access to two weeks of paid family care leave to support a loved one facing illness or medical challenges. In a workforce that includes both union and non-union employees across multiple countries, this benefit sends a clear message: caring for family should not come at the expense of financial stability. Paid leave is designed to reduce stress during critical life moments and help employees return to work focused and supported.

By embedding paid parental and family care leave into a broader total rewards strategy, Vontier is building a culture where employees feel valued for their full lives, not just their job titles. Company leaders regularly review benefits to ensure they remain competitive, sustainable, and responsive to employee needs. The result is a workplace where paid leave is not an afterthought but a foundational investment in retention, productivity, and long-term employee well-being.

**Get inspired by Vontier and other businesses: [How Vontier Builds a Benefits-Rich Culture That Puts Employees First | Family Forward NC](#)**

## Policy Toolbox: Practical Paid Leave Resources for Employers

Employers do not need to start from scratch to offer paid leave. [Family Forward NC®](#) provides a set of practical, ready-to-use policy templates and tools that help businesses of all sizes design, adopt, and implement paid leave in ways that work for their workforce and operations. These resources are grounded in research, informed by employer experience, and flexible enough to fit different industries and organizational sizes.

### ***Paid Parental Leave Policy Templates***

Family Forward NC offers a sample paid parental leave policy that outlines eligibility, duration, pay levels, and coordination with existing leave. The template is written in clear language and can be adapted to full-time and part-time employees. Employers can use this tool to establish consistent, transparent policies that support parents after a birth, adoption, or foster placement.

- [Parental Leave Policy](#)
- [Parental Involvement Leave Policy](#)

### ***Paid Sick Leave Policy Templates***

Paid sick leave templates help employers define how employees can use leave for their own health needs or to care for a sick family member. These templates emphasize clarity and fairness, helping employers set expectations while protecting workers' ability to recover or provide care without risking their income or job.

- [Sick and Safe Leave Policy](#)
- [Family Medical Leave Policy](#)

### ***Return on Investment Calculator***

Part of [Family Forward NC's Small Business Toolkit](#), the Small Business ROI calculator helps employers see the return on investment of offering paid leave benefits such as parental, family, or sick leave.

Together, these tools make paid leave easier to adopt and sustain. By using Family Forward NC's policy toolbox, employers can move from intention to action, offering paid leave that supports working families, strengthens retention, and contributes to a more stable and competitive workforce in North Carolina.

#### ***DOWNLOAD: Small Business ROI Calculator for Paid Leave***

*Our Small Business ROI Calculator helps you estimate the real cost, and the real return, of offering paid leave. See how improved retention, reduced turnover, and stronger employee satisfaction can positively impact your bottom line.*

## Conclusion

Paid leave is no longer a fringe benefit. It is a proven workforce strategy that supports families, strengthens businesses, and stabilizes the economy. National trends and North Carolina-specific evidence show that paid family, parental, and sick leave improve retention, productivity, and employee well-being.

As states continue to lead in the absence of federal action, employers have an opportunity to act. By adopting thoughtful paid leave policies, businesses of all sizes can support their workforce today while investing in a stronger, more resilient economy for the future.



## DIG INTO THE DATA

### **Federal Report: Workers Without Paid Leave Quit Their Jobs More Than Workers With Paid Leave During the Pandemic**

U.S. House Select Subcommittee on the Coronavirus Crisis. (2022, November). *Workers without paid leave quit their jobs more than workers with paid leave during the pandemic.*

#### **TOP 5 TAKEAWAYS**

- 1. Paid leave keeps workers on the job.**  
Workers without paid sick leave quit at much higher rates during the pandemic. At one major employer, hourly workers without paid sick leave were 3 times more likely to quit in 2020 than those with paid sick leave. This confirms that paid leave is a key driver of employee retention, especially during crises.
- 2. Paid family leave improves retention, performance, and advancement.**  
Workers who had access to and used paid family or caregiving leave were 86 percent more likely to stay in their jobs than those who did not. Nearly 9 in 10 received raises after returning from leave, and more than half were promoted, showing that paid leave supports productivity and long-term career growth.
- 3. Hourly workers face the greatest risk without paid leave.**  
The data reveals a sharp divide between salaried and hourly workers. Hourly workers, who are less likely to receive paid leave, were consistently more likely to quit or be fired before and during the pandemic. This instability hurts families, employers, and the broader economy.
- 4. Women and Black workers are disproportionately affected.**  
Female and Black hourly workers were more likely to quit or lose their jobs than white and male workers. Limited access to paid leave compounds existing workforce barriers, increasing job instability for workers already facing fewer supports.
- 5. The United States lags behind global peers on paid leave policy.**  
The U.S. is one of only eight countries in the world without a national paid family leave policy and one of just two OECD countries without national paid leave requirements. While most high-income countries treat paid leave as a standard workforce support, access in the U.S. remains uneven and income-dependent.

#### **TALKING POINTS**



*“Hourly workers without paid sick leave were three times more likely to quit than those with paid sick leave.”*

*“Paid family and caregiving leave increases retention, productivity, and opportunities for advancement.”*

## **Case Study: Business Smart — North Carolina Department of Agriculture and Consumer Services**

North Carolina Early Childhood Foundation. (2022, Jan 27; updated July 2026). *Business Smart case study: North Carolina Department of Agriculture and Consumer Services.*

### **TOP 5 TAKEAWAYS**

- 1. Paid parental leave reduces stress for families and supports healthy starts for children.**  
Before North Carolina implemented paid parental leave for state employees, most families were forced to piece together vacation and sick time to care for a newborn. Employees described the experience as stressful and overwhelming. Access to paid leave allowed parents to recover, bond with their child, and focus on family without the fear of lost income.
- 2. Executive action can spur policymakers to expand access to paid parental leave.**  
An executive order signed in 2019 allowed eligible state employees to receive up to eight weeks of paid parental leave for birth parents and four weeks for other parents, including fathers, adoptive and foster parents. Over the next seven years, eligibility has been expanded to 12 weeks, and conditions covered now include a miscarriage or death of a child during child birth.
- 3. Paid leave improves employee retention, morale, and recruitment.**  
Since implementation, more than 3,600 state employees have used paid parental leave, including 81 within the Department of Agriculture and Consumer Services. Department leadership reports that family-friendly policies send a positive message to current and prospective employees and strengthen workplace loyalty.
- 4. Family-friendly policies support workforce stability during crises.**  
During the COVID-19 pandemic, flexible work options and paid leave allowed parents to continue working while supporting children learning from home. Employees reported that flexibility helped them stay productive and reduced the need to leave the workforce when child care or school disruptions occurred.
- 5. Paid leave is part of a broader strategy to support working families.**  
In addition to parental leave, the department offers community service leave for school involvement, health benefits, and flexible leave options. Together, these policies improve employee well-being, performance, and retention while supporting parents as their children's first teachers.

### **TALKING POINTS**



*"We believe that family-friendly workplace policies send a positive message to our employees and potential employees."*

*"Paid parental leave was very beneficial to be able to stay at home with our newborn and not have to worry about not getting paid."*

### Sample Policy: Paid Parental Leave

North Carolina Early Childhood Foundation. (2018, October 19). Sample policy: Paid parental leave.

## TOP 5 TAKEAWAYS

### 1. Paid parental leave supports employee well-being and retention, even in small organizations.

NCECF, a small nonprofit with four employees, demonstrates that paid parental leave is feasible and effective at any organizational size. The policy is designed to help employees care for and bond with a new child without sacrificing income or job stability.

### 2. Clear eligibility criteria create fairness and predictability.

Employees qualify after 12 months of employment and after working at least 1,040 hours in the prior year. The policy applies to both full- and part-time staff and includes birth parents, partners, and adoptive parents, reinforcing that caregiving responsibilities extend beyond one parent.

### 3. Twelve weeks of fully paid leave sets a strong standard.

Eligible employees receive up to 12 weeks of paid parental leave at 100 percent of their regular pay. Leave must be taken within six months of a birth or adoption and in one continuous period, providing clarity for both employees and employers.

### 4. Paid parental leave works alongside, not on top of, other benefits.

The policy ensures that total leave does not exceed 12 weeks and does not require employees to use vacation or sick time before others leave. Health and other benefits continue during paid leave, protecting families during a critical transition period.

### 5. Family-friendly policies help organizations attract and retain talent.

NCECF explicitly frames paid parental leave as essential to creating a workplace where employees can thrive professionally while meeting family responsibilities. This approach reflects a growing recognition that supportive workplace policies strengthen morale, loyalty, and long-term productivity.

## TALKING POINTS



*“Flexible and family-friendly policies are essential to cultivating an atmosphere where employees can thrive professionally without sacrificing essential family obligations.”*

*“The purpose of paid parental leave is to enable the employee to care for and bond with a newborn or a newly adopted child.”*



## **Closer to the Pain, Closer to Solutions: On Paid Leave, States Are Showing Us the Way**

Shabo, V. (2025, October 28). *Closer to the pain, closer to solutions: On paid leave, states are showing us the way*. New America.

### **TOP 5 TAKEAWAYS**

- 1. Federal inaction has pushed states to lead on paid leave.**  
With no national paid family and medical leave policy and stalled federal progress, states are increasingly filling the gap. In 2025 alone, states across the political spectrum enacted new or improved paid leave policies, demonstrating that progress is possible even when Congress is gridlocked.
- 2. State paid leave programs work best when benefits are affordable and accessible.**  
Evidence from states like California shows that higher wage replacement rates increase participation, especially among lower-income workers. When benefits rose to as much as 90 percent of wages for low-income workers, paid leave use increased by roughly 16 percent, confirming that families cannot use leave they cannot afford.
- 3. States are modernizing leave policies to reflect real family needs.**  
Several states expanded definitions of “family” to include close relationships beyond immediate relatives, recognized the unique needs of NICU parents, and created paid prenatal leave. These updates reflect how caregiving actually works in families and communities today.
- 4. Incremental improvements strengthen workforce stability.**  
States like Washington expanded job protections and allowed leave in smaller increments, making paid leave more usable for workers managing ongoing caregiving needs. Even modest changes help parents stay attached to the workforce while meeting family responsibilities.
- 5. Public-sector paid leave policies build momentum and proof.**  
In states where universal paid leave remains out of reach, paid leave for state and municipal employees has expanded access, strengthened recruitment and retention, and created real-world evidence that paid leave benefits workers, families, and employers. These policies also help normalize paid leave as a standard workplace benefit.

### **TALKING POINTS**



*“State victories result in more people having access to family and medical leave, generate evidence to support adoption elsewhere, and inspire advocates during difficult times.”*

*“Paid leave is an example of how governments can support workers who are striving to both work and care for their loved ones.”*

## Five Compelling Stats About Paid Sick Leave in the U.S.

North Carolina Early Childhood Foundation. (2023, July 6). *Five compelling stats about paid sick leave in the U.S.*

### TOP 5 TAKEAWAYS

- 1. The United States is a global outlier on paid sick leave.**  
Only four countries in the world do not guarantee paid sick leave: the United States, India, Somalia, and South Korea. Most advanced economies treat paid sick leave as a basic workplace protection that supports public health and economic stability.
- 2. One in four U.S. workers has no paid sick leave.**  
While 77 percent of U.S. workers have some access to paid sick leave, nearly 25 percent have none. That means millions of workers must choose between losing income, going to work sick, or caring for an ill child.
- 3. Low-wage workers are least likely to have paid sick leave.**  
Access to paid sick leave drops sharply for workers with lower incomes, who are also more likely to work in jobs that require in-person attendance. This gap increases financial insecurity for families already struggling to cover basic expenses like housing, food, and child care.
- 4. Many workers fear using sick leave even when it's available.**  
Research shows that workers often avoid taking paid sick leave due to concerns about retaliation, job security, or workplace culture. Policies without strong protections can limit the real-world impact of paid sick leave benefits.
- 5. Paid sick leave strengthens public health and supports businesses.**  
Universal paid sick leave reduces the spread of illness, increases worker retention, and improves productivity. Businesses benefit from lower turnover and fewer workplace disruptions when employees can recover at home rather than work while sick.

### TALKING POINTS



*"One in four American workers lacks access to a single day of paid sick leave."*

*"Universal paid sick leave would strengthen public health and benefit businesses."*

## How a Small Business Can Offer Paid Parental Leave

North Carolina Early Childhood Foundation. (2024, July 17). *How can a small business offer paid parental leave?*

### TOP 5 TAKEAWAYS

- 1. Paid parental leave is achievable for small businesses with the right approach.**  
While small organizations often worry about cost and coverage, research and employer experience show that paid parental leave improves recruitment, retention, and employee engagement. With thoughtful planning, even small teams can implement effective leave policies.
- 2. Flexible policy design helps manage cost concerns.**  
Small businesses do not need a one-size-fits-all approach. Employers can offer alternative structures such as fewer weeks at full pay, partial pay over a longer period, or phased returns to work. Comparing the cost of paid leave to the cost of replacing an employee often reveals that offering leave is the more affordable option.
- 3. Clear, inclusive policies promote fairness and consistency.**  
Equity concerns can be addressed by setting clear, organization-wide policies that apply across roles and departments. Inclusive definitions of family and flexible work options for all employees—not just parents—help ensure policies are seen as fair and supportive.
- 4. Planning reduces workload strain on teams.**  
Workload challenges can be managed by prioritizing projects, pausing nonessential work, and using temporary staff, contractors, or interns. Paid parental leave can also create leadership and growth opportunities for other employees when responsibilities are thoughtfully delegated.
- 5. Strong return-to-work planning strengthens retention.**  
Setting employees up for a successful return—including clear communication, phased re-entry, and role clarity—helps ensure businesses realize the long-term benefits of paid leave, such as higher retention and a stronger workplace culture.

### TALKING POINTS



*“Do the math: compare the cost of offering paid leave to the cost of replacing an employee.”*

*“Paid parental leave strengthens workplace culture, morale, and long-term retention.”*

## State Paid Family Leave Laws Across the U.S.

(Updated April 10, 2026). *State paid family leave laws across the United States.*

### TOP 5 TAKEAWAYS

**1. Paid family leave is becoming the norm at the state level.**

As of early 2026, 14 states and the District of Columbia have enacted mandatory paid family leave systems. An additional nine states have voluntary systems, bringing the total to 24 states with some form of paid family leave law. Most programs cover parental leave, family caregiving, and personal medical leave.

**2. Most mandatory programs use a shared-cost insurance model.**

All but one mandatory paid family leave system is funded through a social insurance model, using small payroll contributions from employees, employers, or both. This approach spreads risk broadly and keeps costs predictable for businesses, including small employers.

**3. States are using different paths to reach the same goal.**

While most states rely on public social insurance systems, New York operates a mandatory paid leave program through a tightly regulated private insurance market. Voluntary states allow employers to purchase paid leave insurance, offering flexibility while expanding access for workers.

**4. Job protection varies by state, but federal law sets a baseline.**

The federal Family and Medical Leave Act provides unpaid, job-protected leave for many workers at larger employers. Some states have strengthened job protection as part of their paid leave laws, while others rely on existing federal standards, resulting in uneven protections across states.

**5. State programs provide a roadmap for future policy.**

With 23 paid family leave laws already implemented and others scheduled to take effect, states are building real-world evidence that paid leave systems are workable, affordable, and beneficial for families and employers. These programs offer practical models for states like North Carolina to consider next steps.

### TALKING POINTS



*"Fourteen states and the District of Columbia have enacted mandatory paid family leave systems."*

*"Most state paid leave programs use a social insurance model that spreads costs and risks across employers and workers."*



## North Carolina State Human Resources Manual: Paid Parental Leave Policy

Office of State Human Resources. (Effective July 17, 2025). *Paid parental leave policy*, N.C.G.S. § 126-8.6.

### TOP 5 TAKEAWAYS

**1. North Carolina guarantees paid parental leave for eligible state employees**

All state agencies are required by state law to provide paid parental leave. Eligible employees receive leave following the birth of a child, adoption, foster placement, or other legal placement, as well as in cases of miscarriage or stillbirth after the 12th week of pregnancy.

**2. The policy provides up to eight weeks of fully paid leave.**

Eligible state employees may receive:

- Four weeks of paid leave for physical recovery following childbirth or for miscarriage or stillbirth after the 12th week of pregnancy.
- Four additional weeks of paid leave for bonding with a newborn child.

*Each week of leave is paid at 100 percent of the employee's regular pay.*

**3. Both parents are eligible, with clear rules to ensure fairness and continuity.**

If both parents are eligible state employees, each may take paid parental leave, either at the same time or separately, unless a public safety concern requires adjustment. Leave may be taken continuously or intermittently, depending on employee status and agency approval.

**4. Paid parental leave protects employees without reducing other benefits.**

Paid parental leave does not count against accrued sick or vacation leave and does not reduce existing leave balances. Health and other benefits continue during leave, and job protection aligns with the federal Family and Medical Leave Act.

**5. The policy reflects growing recognition of family loss and the realities of caregiving.**

Recent updates expanded coverage to include miscarriage, stillbirth, bereavement flexibility, adoption, and foster care placements, and clarified documentation requirements. These changes acknowledge the real-life experiences of working families and the need for compassionate, consistent workplace policies.

### TALKING POINTS



*"Each week of Paid Parental Leave will be compensated at 100 percent of the employee's regular pay."*

*"State agencies shall provide paid parental leave to eligible employees following birth, placement, or pregnancy loss."*

## **U.S. State Preemption Laws and Working-Age Mortality**

Wolf, D. A., et al. (2022, November). U.S. state preemption laws and working-age mortality. *American Journal of Preventive Medicine*, 63(5), 681–688.

### **TOP 5 TAKEAWAYS**

- 1. State preemption laws can limit local authority to pass worker-friendly policies.**  
Preemption occurs when a state government restricts or prohibits local governments from adopting policies such as paid sick leave, minimum wage increases, or other labor protections. This study examined how those laws affect health outcomes.
- 2. Preemption is associated with higher mortality among working-age adults.**  
Researchers found that states with broader preemption of local labor policies had higher mortality rates among adults ages 25 to 64 than states that allowed local governments greater flexibility.
- 3. Worker protections are closely tied to health outcomes.**  
Policies such as paid sick leave and higher minimum wages are linked to improved economic stability, better access to health care, and reduced stress. When local governments cannot adopt these protections, communities may experience worse health outcomes.
- 4. The impact is measurable and significant.**  
The study estimates that thousands of deaths among working-age adults may be associated with state preemption of local labor policies, highlighting the real-world consequences of limiting local decision-making.
- 5. Policy choices shape community well-being.**  
The findings reinforce the idea that labor and workplace policies are not only economic tools but also public health tools. Decisions about paid leave, wage standards, and worker protections have long-term implications for families, workforce stability, and population health.

### **TALKING POINTS**



*“State preemption of local labor policies was associated with higher working-age mortality.”*

*“Labor policies such as paid sick leave are not only economic interventions; they are public health interventions.”*

## Parents Under Pressure

U.S. Department of Health & Human Services. (2024). *Parents Under Pressure: The U.S. Surgeon General's Advisory on the Mental Health & Well-Being of Parents*. <https://www.hhs.gov/sites/default/files/parents-under-pressure.pdf>

### TOP 5 TAKEAWAYS

**1. Parent stress is a public health issue.**

The Surgeon General warns that high levels of stress among parents and caregivers are widespread and pose serious risks to both adult and child well-being. When parents struggle, children feel it too.

**2. Mental health challenges are common and rising.**

Many parents report feeling overwhelmed, isolated, and burned out. Financial strain, child care challenges, work demands, and concerns about children's safety and future contribute to sustained stress levels.

**3. Parents need structural support, not just self-care advice.**

The advisory emphasizes that workplace policies, access to affordable child care, paid leave, flexible scheduling, and community supports shape parental well-being. Individual resilience is important, but systems matter more.

**4. Strong parental support strengthens child development.**

Children thrive when caregivers are mentally healthy and emotionally supported. Reducing parental stress improves early brain development, school readiness, and long-term outcomes.

**5. Workplaces and policymakers play a critical role.**

The report calls on employers, community leaders, and policymakers to expand paid leave, improve access to mental health care, strengthen economic supports, and create family-friendly workplace environments.

### TALKING POINTS



*"Parental stress is not a personal failure; it is a public health concern that requires collective action."*

*"When we support parents, we support children's healthy development and long-term success."*

## PARTNERS IN PROGRESS

Building a strong family-support system in North Carolina requires more than funding alone. Family leave is a critical part of that system, and no single employer or agency can address it on their own. When businesses, policymakers, and community leaders work together to expand access to paid family leave, parents are better able to stay in the workforce, children experience more stable care, and employers benefit from a more reliable workforce.

The **North Carolina Early Childhood Foundation (NCECF)** leads many of these efforts by connecting data, policy, and partnerships to advance statewide solutions. NCECF's [Family Forward NC®](#) is an employer-led initiative that helps North Carolina businesses strengthen paid leave and other family-supportive workplace policies. Focusing on building a more family-friendly workplace supports children's health and development by giving families the time and stability they need during critical early years.

Here are credible, commonly recognized partners working on paid leave policy and family-friendly workplace issues in North Carolina.

### Statewide Policy and Advocacy Partners

- **NC Families Care:** Led by MomsRising, NC Families Care is a coalition of over two dozen diverse organizations advocating for family-friendly workplace policies for working North Carolinians and their families, including paid sick and safe days, paid family medical and parental leave, pregnancy accommodations, and living wages.
- **Positive Childhood Alliance NC:** advocates for family economic security policies such as paid family and medical leave which can reduce family stressors and risk factors for child abuse and neglect.
- **North Carolina Coalition Against Sexual Assault:** advocates for paid leave policies and other workplace supports that prevent family and intimate partner violence.
- **The North Carolina Coalition Against Domestic Violence:** advocates for trauma-informed workplace policies, including safe/sick leave to support survivors of domestic or sexual violence. These policies allow survivors to attend to safety, legal, and medical needs without losing employment.

### Business and Employer-Focused Partners

- **Local Chambers of Commerce (including regional and city chambers):** Increasingly engaged in conversations about workforce participation, retention, and the role of paid leave in business competitiveness.
- **NC Chamber Foundation:** Produces research on workforce challenges and economic impacts related to child care and family supports, often used to inform paid leave discussions.



## Workforce and Worker Advocacy Partners

- **North Carolina Justice Center:** Works on economic security and labor policy issues affecting low- and moderate-income workers, including paid leave and job protections.
- **A Better Balance (national organization with NC engagement):** Provides legal and policy expertise on paid family and medical leave, pregnancy protections, and caregiving policies, including support for state-level efforts.
- **New America:** Works to strengthen systems of family support and economic stability.

## Government and Public-Sector Partners

- **North Carolina Office of State Human Resources (OSHR):** Administers the state's paid parental leave policy for eligible state employees and provides data and implementation guidance that informs broader policy discussions.
- **Governor's Office and State Agencies:** Play a role in implementing and refining paid leave policies for public employees and shaping the policy environment for employers.

**Paid leave policy in North Carolina is shaped by a strong network of partners working across research, advocacy, business engagement, and state government.** Together, these partners support paid leave as a practical tool to strengthen families, stabilize the workforce, and keep North Carolina's economy competitive.



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