



Discussion Draft: PROTECTING WORKER PAYCHECKS AND FAMILY CHOICE ACT

Republicans are eager to work with Democrats to find common ground on an issue everyone can agree on: improving the lives of working families.

Republican-led family-first tax policies built on years of bipartisan agreement to support the needs of families and encourage work. That's why we're building on this work by introducing an early discussion draft of the, "*Protecting Worker Paychecks and Family Choice Act.*"

Our package is based on the premise that strong economic growth is the foundation for ensuring flexible options for families through better jobs, lower unemployment, and higher wages – not one-size-fits mandates that put Washington in control and result in lower paychecks for workers. The bill would:

Expand access to paid family and medical leave by incentivizing more employers to provide leave and focusing on gaps in coverage.

- ❖ Preserves what's working by allowing workers and employers to work out the details by expanding the employer-provided paid family and medical leave tax credit and creating new family savings accounts;
- ❖ Incentivizes and reduces costs for small employers to offer paid family leave to their employees, by providing more generous tax credits and paving the way for pooling, and cost sharing; and
- ❖ Promotes equitable access to paid leave by targeting policies to low-wage workers, who are least likely to receive paid leave through their employers.

Expand access to affordable child care by leveraging the existing \$50 billion in large new investments, targeting funds and preserving parent choice.

- ❖ Since the beginning of the COVID-19 pandemic, Congress has provided \$50 billion in new funding for child care, equal to the entire annual revenue of the industry in 2019. This new funding hasn't yet made it to local communities and families. Our proposal provides states new options for increasing supply of care and more time for using these funds.
- ❖ Improves the employer-provided child care tax credit to provide flexibility for workers and more generous credits for small employers;
- ❖ Increases parent choice of child care that best fits their child's needs, prevents the child care "cliff" for low-income parents, and better targets existing funds to state with higher concentrations of children in poverty;
- ❖ Improves flexibility for families using dependent care flexible spending accounts; and
- ❖ Creates a bipartisan commission to make recommendations to Congress on streamlining and reducing duplication in financing of federal early care and education programs.