Press Release

AAF Research Finds Nationwide Paid Family Leave Proposal Could Cost Between $160-$997 Billion

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Recent proposals to provide for 12 weeks of paid family leave would be extremely expensive and still fall short of covering the costs, new research from the American Action Forum (AAF) found. The AAF research analyzed recent proposals to provide paid family leave, including the FAMILY Act. According to the analysis, the FAMILY Act could cost anywhere from $159.6 billion to $997.4 billion per year, as each worker who takes 12 weeks of paid leave would cost the government an average of $6,700. Meanwhile, the 0.4 percent payroll tax would only raise $30.6 billion per year. The AAF research found that the payroll tax would need to be increased to 2.1 percent in order to fully pay for the cost of the proposal.

Click here to read the research.