

Testimony in Support of HB-7968
Temporary Caregiver Insurance (TCI)
House Labor Committee
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The Economic Progress Institute supports Representative Giraldo's HB-7968, which strengthens the State's Paid Family Leave program (Temporary Caregiver Insurance - TCI) by increasing the maximum leave to 12 weeks, expanding caregiving leave to include grandchildren and other dependents, and establishing an opt-in option for self-employed workers and sole proprietors.

No one should have to choose between their economic security and their family. TCI allows workers to take paid family leave to bond with a newborn or care for a seriously ill family member. By passing the expansions outlined in HB-7968, Rhode Island can once again lead the nation in supporting working families.

Increasing the maximum length of TCI to 12 weeks gives workers more time to care for new children or seriously ill loved ones without losing income, while also improving health outcomes and families' economic stability. Currently, Rhode Island offers the shortest paid family leave among the 13 states that provide it, despite being one of the first to enact such a program. Extending the leave would help parents and caregivers keep their jobs while taking the time they need, and paid family leave has been shown to reduce employee turnover and boost the economy.¹

Many Rhode Islanders are family caregivers and are responsible for their ailing siblings, grandchildren, and other loved ones. An inclusive policy for caregiving leave ensures all workers can care for the people who matter most to them. It also recognizes that Rhode Island has diverse families who may not have immediate family to care for them, including immigrant, LGBTQ+, veteran, and foster child communities.² **Paid family leave is also proven to reduce the need for nursing homes** and help our elders age in place. This is especially important considering one in four Rhode Islanders will 65 or over by 2030.³ Expanding TCI to cover leave for grandchildren and other dependents gives families greater security and independence while ensuring more Rhode Islanders can receive the care they need to recover.

¹ [Easing the Burden: Why Paid Family Leave Policies are Gaining Steam, Stanford Institute for Economic Policy Research, 2018](#)

² 28 percent of former active-duty servicemembers had taken time off work to care for friends or chosen family members with serious health needs, according to the [Center on American Progress](#).

³ [Paid Leave Means a Stronger Rhode Island, 2026, National Partnership for Women & Families](#)

Currently, there is no way for independent contractors, gig workers, and **self-employed workers** to contribute to and benefit from TCI/TDI. Rhode Island is one of two states (out of 13 states and D.C.) in which self-employed workers cannot opt-in for their state paid family leave program. Rhode Island remains the sole outlier compared with our neighbors in Massachusetts, Connecticut, and Maine, all of which allow self-employed workers to opt in. Allowing self-employed workers to opt in would not only extend vital protections to more Rhode Islanders but could also strengthen the TCI and TDI funds by broadening the base of contributors.

We applaud the General Assembly for expanding TCI in 2025 and setting Rhode Island on track to provide workers on TCI with 75% of their weekly wages by 2028. However, Rhode Island funds TCI/TDI with one of the highest employee payroll tax rates and a low wage contribution cap (earnings above \$100,000 are not taxed for TCI/TDI), meaning low- and middle-income workers contribute a larger share of their earnings than higher-income workers. Most other states set higher contribution caps (earnings up to \$184,500 are taxed for paid family and medical leave in 10 states and D.C.), offer stronger benefits, and have lower payroll taxes (though many also include an employer tax contribution). While not proposed in this legislation, continued efforts to fund the program more equitably and strengthen wage replacement are critical to keeping Rhode Island competitive with neighboring states like Massachusetts and Connecticut, which replace 80% and 95% of wages for their lowest-paid workers when using paid family leave.

These are necessary budget neutral investments in our state's working families. We must improve paid family leave now to ensure that RI businesses remain competitive, and all Rhode Islanders can receive the care they deserve. A comprehensive paid family leave program means a stronger Rhode Island. We strongly urge passage.