ARKANSAS, ILLINOIS, MISSISSIPPI, & NEBRASKA

HEALTHY MOMS HEALTHY BABIES AMERICA

PAID LEAVE AS WORKFORCE POLICY:
EVIDENCE FOR STATE LEADERS

Inadequate paid leave costs states working parents, business output and tax revenue. Surveys of 1,003 employers and 2,002 parents across Arkansas, Illinois, Mississippi and Nebraska in 2026 point to workable solutions.



THREE FINDINGS

40% Mothers are leaving or downshifting.

40% of mothers changed occupations after birth, versus **25%** of fathers, and often into lower-wage work. **4%** of mothers left work entirely, versus **0.3%** of fathers.

53% Finances drive the return.

53% of parents went back to work because of financial need; only **22%** because they felt ready. Just **34%** of mothers who took leave were fully paid, versus **72%** of fathers.

2X MORE LIKELY Experience changes minds.

Employers with leave experience were twice as likely to say benefits outweigh costs (**47% vs. 23%**). **55%** of all employers reported no added cost to cover leave.

$64M

About **160,000** employed women gave birth across the four states in 2024. A **10% gain** in their retention would be worth roughly **$64 million** a year to employers, a conservative figure that excludes recruiting and absenteeism.

WHY IT MATTERS FOR STATES

40% **of employers** said new hires take at least three months to reach full productivity and 21% said more than six. **Keeping parents employed protects business output and state tax revenue. Retention protects output and revenue.**

77% **of leaves** were covered by existing staff. Only **17% of employers** with leave experience reported significant financial strain. **Coverage is often manageable.**

30% **of income** goes to childcare for households earning under $30,000. **4X the share for those above $75,000.** High costs can push parents out of work. **Childcare is the other half of the constraint.**

8 WEEKS **of leave** is the median amount taken by mothers; most pediatric organizations support three months or more. Research links adequate leave to better mental health, less postpartum depression and higher breastfeeding rates. Continued health coverage often drove return timing more than physical recovery. **Leave supports maternal health.**

WHAT STATES CAN DO

1. **Close the expectation gap.** Use a low-cost small-business education campaign to **help employers connect turnover with leave policies.**
2. **Lower the cost for small employers.** Consider tax incentives modeled on federal Section 45S or shared-cost insurance pools to **expand leave without a mandate.**
3. **Include the self-employed.** More than a quarter of mothers who took no leave were self-employed, **five times the rate among those who did**. Employer-only policies miss them.
4. **Pair leave with childcare.** Both keep parents attached to the workforce; **investing in one without the other leaves the job half done.**

> **Norms can move without a mandate: 28.6% of Nebraska** employers offer company-paid leave, versus about **16% in Arkansas and Mississippi**, with no state requirement.

Source: Main Street Analytics surveys, February–June 2026. Business Survey: 1,003 HR professionals and owners; Parent Survey: 2,002 parents; Arkansas, Illinois, Mississippi and Nebraska. Results are not national in scope.