Parents of a new child have the option to pull forward a portion of their Social Security benefits to use for paid parental leave after the birth or adoption of a child. Parents taking the option can choose a Social Security benefit of one, two, or three months to finance parental leave.

- The benefit amount is large enough that nearly all parents below the median household income of about $60,000 will be able to take significant leave at a rate of two-thirds of their prior wages.
- Many parents, especially those with low incomes, will be able to finance longer than three months of leave with the benefit.

“Stay-at-home” parents with an earnings history that meets eligibility requirements will also be able to take the option.
- Parents taking the option will choose to either:
  - Increase their Social Security retirement age by 3 to 6 months per benefit taken; or
  - Receive a proportionate reduction in monthly retirement benefits for the first 5 years of retirement, as determined by the Social Security Administration (SSA) each year.

Expectant parents will file an application with the SSA. Upon verification of the parent’s eligibility, the SSA will notify parents of their expected eligibility for the parental leave benefit.
- Approved parents will provide the SSA with additional documentation after the birth or adoption of the child, and upon verification the SSA will remit the parental leave benefit.
- The benefit will be delivered in one, two, or three monthly payments based upon the benefit amount chosen by the parent.

*The gray area represents the range of possibilities under a transferable benefit, assuming spouses earn equivalent incomes and the spouse taking the lower period of leave takes leave for 2 weeks.

** All amounts assume annual income is stable in inflation-adjusted terms in the years preceding birth. Actual amounts will vary depending on the variance of the individual’s income in the years preceding birth.