



AMERICAN BENEFITS
COUNCIL

July 24, 2018

THE AMERICAN BENEFITS COUNCIL'S
WRITTEN STATEMENT FOR THE RECORD:

U.S. HOUSE COMMITTEE ON
EDUCATION AND THE WORKFORCE SUBCOMMITTEE ON
HEALTH, EMPLOYMENT, LABOR, AND PENSIONS
HEARING ON H.R. 4219, THE WORKFLEX IN THE 21ST CENTURY
ACT

Submitted by:

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The American Benefits Council (“the Council”) commends the House Subcommittee on Health, Employment, Labor, and Pensions for holding a hearing on H.R. 4219, the Workflex in the 21st Century Act. The Council supports the approach addressed in H.R. 4219 for a national, voluntary, minimum paid leave option. Please see our attached letter to Representative Mimi Walters of November 3, 2017.

The Council is a public policy organization representing principally Fortune 500 companies and other organizations that assist employers in providing benefits to

employees. The American Benefits Council's members are primarily very large companies with operations across the country – often in all 50 states and numerous localities. The vast majority of large employers already sponsor excellent paid leave programs that enable employees to address their own, and their family members' health needs, as well as to have personal, holiday or vacation time. These programs foster greater productivity and contribute to the success of the business.

As more states and political subdivisions enact paid leave laws, it has become increasingly difficult for large, multistate employers to consistently offer and administer paid leave. Many state and local mandates use completely different definitions of terms and have inconsistent recordkeeping requirements and thresholds that trigger coverage or accrual of benefits. As a result, employers have had to design their leave programs to meet administrative and other requirements, rather than meet employer and employee objectives.

We ask the Subcommittee to recognize the challenge presented by the increasingly complex myriad of state and local paid leave laws. We urge you to consider an approach to paid leave that provides a federal, uniform and voluntary paid leave option that will benefit employers and employees alike. Such an approach would enable companies to design uniform programs that benefit their employees and their families wherever they may live or work.

Uniform, voluntary federal standards would be both efficient and equitable. Multistate employers need the predictability and uniformity of a national paid leave solution, so they can maintain consistent policies for their entire workforce across different states and local jurisdictions. By having the option of a single, national standard for paid leave they can treat all their employees equally, rather than on a fragmented, jurisdiction-by-jurisdiction basis. Companies need programs that fit what have become increasingly mobile workforces. A voluntary national standard could make it easier to communicate available programs so that employees get full value and would limit complexity of administration for employers.

We urge policymakers to support a federal solution that addresses the challenge faced by working families and also the complexity of often conflicting state and local leave laws. Accordingly, a national paid leave policy must be:

- **Practical:** Paid time off is a practical workforce issue and should be a nonpartisan issue. This benefit is already provided by employers across the United States. Any policy adopted should promote ease of communication and use for employees as well as ease of administration by the employer.
- **Voluntary:** A national paid leave policy needs to be voluntary on the part of the employer. Any regulation of paid leave should allow large companies to maintain uniform paid leave practices across the country by conforming to a

single set of rules so long as they provide a specified level of paid leave to their workforce.

- **Uniform:** As noted, it is critical that companies have the ability, if desired, to design uniform paid leave policies that do not vary based on the state or local jurisdiction in which they operate. Uniformity allows for consistent treatment of employees and ease of mobility for workers. State and local mandates can still apply to businesses that do not provide paid leave, but those companies that choose to adopt a federal minimum standard should be deemed to satisfy all paid leave mandates.
- **Flexible:** Paid leave is distinct from the evolving world of flexible work practices whereby, for example, employees may be able to telecommute, share jobs, or work more during certain days or weeks and less during other days or weeks. A national policy on paid leave should not disrupt the evolution of flexible workplace practices.

Thank you for your consideration of our comments. Please let us know how the Council can further assist in your efforts.

AMERICAN BENEFITS COUNCIL

YOUR ADVOCATE FOR EMPLOYER-SPONSORED BENEFITS SINCE 1967



November 3, 2017

Filed electronically via email

The Honorable Mimi Walters
215 Cannon House Office Building
Washington, DC 20515

Dear Representative Walters:

On behalf of the American Benefits Council I am writing to express our support for H.R. 4219, the Workflex in the 21st Century Act, legislation you have authored to provide a national voluntary, minimum paid leave option. The approach addressed in the Workflex bill would serve the needs of both employers and employees. It would enable companies to design uniform programs that benefit their employees and their families wherever they may live or work.

The American Benefits Council's members are primarily very large companies with operations across the country – often in all 50 states and numerous localities. The vast majority of large employers already sponsor excellent paid leave programs. These programs foster greater productivity and contribute to the success of the business.

As states and political subdivisions have enacted paid leave laws it has become increasingly difficult for large, multistate employers to consistently offer and administer paid leave. Many state and local mandates use completely different definitions of terms and have inconsistent recordkeeping requirements and thresholds that trigger coverage or accrual of benefits. As a result, employers have had to design their leave programs to meet administrative and other requirements, rather than meet employer and employee objectives.

Multistate employers want to have the option of voluntarily adopting a predictable and uniform national paid leave solution. Employers wishing to adopt the solution can maintain consistent policies for their entire workforce. Those employers that operate in just a few jurisdictions, would have the freedom to abide by the applicable laws and

ordinances, rather than adopt the voluntary national standard. Workers, whose needs differ from one employer to another, would also be afforded flexibility to address their personal family needs. A voluntary national standard could make it easier to communicate available programs so that employees get full value and would limit complexity of administration for employers.

The American Benefits Council commends you, and Representatives Stefanik and McMorris Rodgers who have joined you in this effort, for the balanced legislation you have sponsored. We look forward to continuing to work with you on this important initiative.

Sincerely,

A handwritten signature in cursive script that reads "Lynn D. Dudley". The signature is written in black ink and is positioned centrally below the word "Sincerely,".

Lynn D. Dudley
Senior Vice President,
Global Retirement and Compensation Policy