



# AMERICAN BENEFITS COUNCIL

January 28, 2020

## WRITTEN STATEMENT FOR THE RECORD: U.S. HOUSE WAYS AND MEANS COMMITTEE HEARING ON “LEGISLATIVE PROPOSALS FOR PAID FAMILY AND MEDICAL LEAVE”

The American Benefits Council (“the Council”) commends the U.S. House of Representatives Committee on Ways and Means for holding a hearing focusing on legislative proposals for paid family and medical leave.

The Council is a public policy organization representing over 220 of the world’s largest corporations, as well as many other large companies and organizations that assist employers in providing benefits to employees. Our member companies recognize the importance of helping employees care for a new child or tend to their own – or a family member’s – serious health issue. Council members typically have nationwide operations – 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 health and family needs. These programs also 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 family members, reasons for leave, eligibility requirements or funding mechanisms. As a result, employers have had to design their leave programs to meet administrative and other requirements, rather than meet employer and employee objectives.

As the committee discusses paid family and medical leave proposals, we ask you 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 family and medical leave that provides a federal, uniform and voluntary paid leave option that will benefit employers and employees alike and allows flexibility for private plan solutions. 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 that foster private plan solutions 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 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 craft a federal solution that addresses the challenge faced by working families and also the complexity of often conflicting state and local paid family and medical leave laws. Accordingly, a national 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. At the same time it is essential that companies be free to continue to satisfy requirements on an individual state and local level, if that is their preferred alternative.
- **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. While state and local requirements might still apply to employers that do not provide any paid leave, those companies that choose to adopt a federal minimum standard should be deemed to satisfy all paid leave mandates.
- **Flexible:** A national policy on paid leave should enhance the evolution of flexible workplace practices and provide employers with flexibility in administering paid leave benefits.

We look forward to working with Congress and the Administration on paid family and medical leave legislation in keeping with these principles. Thank you for your consideration of our comments. Please let us know how the Council can further assist in your efforts to help America's working families.