



## A PROPOSED NATIONAL VOLUNTARY MINIMUM STANDARD FOR PAID LEAVE

### BACKGROUND

The Council favors a single, national, voluntary standard regarding paid time-off. Such a standard would enable companies to design uniform programs that benefit their employees and their families across the country. The approach described below establishes a benchmark without precluding flexibility and innovation in the workplace.

### TALKING POINTS

- **Large employers already provide paid leave. The vast majority of large employers who, by definition, are the ones operating in multiple states, already sponsor 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. Companies currently have flexibility to design programs that meet their employees' needs, and that serve their business operations.
- **State and local paid leave mandates impose burdens on companies that already provide paid leave.** As states and political subdivisions have enacted paid leave laws it has become increasingly difficult for large, multistate employers to administer their own paid leave programs in addition to varying state and local mandates. Many state and local mandates use inconsistent definitions, have varying recordkeeping requirements and thresholds that trigger coverage or accrual of benefits. As a result, employers have had to focus more on designs to meet administrative and other requirements than on designs that meet both employer and employee objectives.

A voluntary, uniform federal standard could make it easier to communicate the programs so that employees get full value from them and would also limit the complexity of administration. Without uniformity, multi-jurisdictional

companies can be buffeted by different rules that result in disruption of a modern, dynamic workforce.

- **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.

The option for companies to select a single paid leave approach is necessary to allow companies to resolve these conflicts.

- **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. At the same time companies should be free to continue to satisfy requirements on an individual state and local level.
  - **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 enhance the evolution of flexible workplace practices.