Opening Statement of Ranking Member Gregorio Kilili Camacho Sablan House Education and Workforce Committee Subcommittee on the Health, Employment, Labor and Pensions Committee Workplace Leave Policies: Opportunities and Challenges for Employers and Working Families December 6, 2017

Mr. Chairman, thank you for holding this hearing to call attention to the problem facing millions of working people who lack access to paid sick leave, paid family and medical leave, and predictable scheduling. Here is the problem:

- An estimated <u>37 million</u> workers many employed in service industries and low wage jobs – cannot earn a single paid sick day to care for themselves when they get sick or to go to the doctor. Nearly a quarter of adults have lost a job or have been threatened with job loss for taking time off because of personal illness or to care for a family members.
- In 2016, only <u>13 percent</u> of private-industry employees had access to paid family leave through their employers. Lack of paid family leave policy costs workers an estimated <u>\$20</u> <u>billion in lost</u> wages each year.
- Many working people lack predictable schedules. Approximately <u>41 percent of hourly</u> workers receive their work schedules only seven days in advance, making it difficult for workers to make a living and meet their responsibilities at home.

Increasing workplace flexibility is clearly a core economic issue. Today, I hope we will explore solutions to improve the economics for workers and employers.

There is also good news. Access to earned sick days has increased – up from 61 percent of private sector workplaces in 2015 to 68 percent. This favorable trend has been driven in large part by earned sick days legislation recently enacted by eight states and thirty-two localities. In

2016, an Obama administration Executive Order provided over one million federal contract workers with up to seven paid sick days. However, there are no federal laws providing for or requiring employers to provide employees with paid or unpaid sick days.

The Healthy Families Act, H.R. 1516, introduced by Representative DeLauro and which I am a cosponsor, establishes a worker's right to earn paid sick leave by providing one hour of sick leave for every 30 hours worked, up to 56 hours per year.

Paid sick days can save employers, taxpayers, and families' money while promoting healthier workplaces and communities. Workers without paid sick days are more likely to report going to work with a contagious illness, like the flu, and risk infecting others. Parents without paid sick days are more than twice as likely as parents with paid sick days to send a sick child to school or day care.

The Family and Medical Leave Act of 1993 (FMLA) provides up to 12 weeks of <u>unpaid</u> jobprotected leave for key family caregiving responsibilities, such as the birth and care of a newborn or the care of a family member with a serious health condition.

But the vast majority of the private sector workforce doesn't have access to <u>paid family</u> leave. According to the Bureau of Labor Statistics, only about 15 percent of workers have access to paid family leave through their employers. *The FAMILY Act*, H.R. 947, also introduced by Representative DeLauro and which I cosponsored, addressees this problem. It guarantees workers twelve weeks of paid family and medical leave, financed through a social insurance program funded by both employees and employers who each make a contribution of two-tenths of one percent of wages. In return, workers would receive two-thirds of their wages during eligible family leave. Mr. Chairman, I am also concerned about two legislative proposals that merit careful scrutiny. One proposes a paid leave tax credit of 12 to 25 percent. This may sounds like an attractive inducement but there is little evidence that this will incentivize employers who do not already have a paid leave plan to create one. In a recent Ernst and Young survey, 35 percent of small businesses did not see a tax credit as a benefit to inspire them to offer paid leave.

We also need to critically and carefully assess the *Workflex in the 21st Century Act*. This bill would allow employers to create a new "qualified flexible workplace arrangement plan" under the Employee Retirement Income Security Act. It is concerning that these plans could enable employers to avoid compliance with state and local paid leave, family leave, wage and hour, and predictable scheduling laws. We should not put downward pressure on workplace benefits that already exist or could be enacted.

I hope we can have a robust discussion today about creating minimum standards for earned sick days, family and medical leave, and flexible and predictable schedules.

I appreciate the witnesses taking their valuable time to discuss these issues with us today and I look forward to their testimony.

Thank you and I yield back the balance of my time.