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Testifying in her capacity as a representative of  
**SHRM**

Submitted to the Subcommittee on Workforce Protections  
House Committee on Education and Workforce

“Balancing Careers and Care: Examining Innovative Approaches to Paid Leave.”

**Tuesday, February 24, 2025**

Chairman Mackenzie, Ranking Member Omar, and Members of the Subcommittee, thank you for the opportunity to testify on paid leave policy. This hearing represents an important step forward, initiating the necessary conversations about how we can come together to address paid leave and thoughtfully consider the appropriate role of the federal government in an area that has largely been left to the states.

**I. Introduction**

I am honored to offer this testimony in my capacity as an expert in benefit management and as a longtime SHRM Advocacy Team (A-Team) member and former State Legislative Director for Maryland SHRM. I have partnered closely with SHRM Government Affairs to advance workplace policy, including helping move workplace violence prevention legislation in Maryland and testifying before the Joint Select Committee on the Modernization of Congress on employee benefits trends.

As a representative of SHRM, I am seeking to leverage the collective experience and experience of the organization and its membership. SHRM is the foremost expert, researcher, advocate, and thought leader on issues and innovations impacting today’s evolving workplaces. With nearly 340,000 members in 180 countries, SHRM touches the lives of more than 362 million workers and

their families globally. SHRM has an extensive affiliate network covering all 50 states and several territories, comprising nearly 550 chapters and 51 state councils. This broad reach touches every state and Congressional district and enables SHRM to deliver localized support, resources, and networking opportunities to HR professionals nationwide. Furthermore, each chapter acts as a center for professional development, hosting events, certification courses, and legislative updates tailored to its members' needs.

The workforce is continuing to face significant skills shortages as employers continue to struggle for talent. SHRM's Talent Trends found that in 2025, nearly 7 in 10 organizations (69%) reported difficulty recruiting for full-time regular positions, a level comparable to pre-pandemic conditions and highlighting persistent gaps in the labor supply. Organizations cited a low number of applicants (51%), strong competition from other employers (50%), and increased candidate "ghosting" (41%) as their top recruitment challenges. Persistent labor shortages impact organizations beyond staffing, stifling innovation, increasing stress among current employees and otherwise negatively impacting long-term viability for that organization. These difficulties indicate that traditional recruitment strategies alone are insufficient; employers must offer meaningful value propositions to attract and retain talent — which includes paid leave.

Members of the Subcommittee on Workforce Protections ("Subcommittee"), I offer my testimony today to discuss how leave shows up in organizations today, the recognized value in paid leave offerings, the challenges faced by employers in coordinating and implementing leave, and the role of public-private partnerships.

## **II. How Leave Shows Up in Organizations and the Business Case for Paid Leave**

Meaningful access to paid leave is critical for workers as they attend to personal obligations while maintaining the ability to stay in the workplace. For employers, the ability to offer this benefit directly impacts their ability to attract, retain, and support a stable workforce. Across industries and organization sizes, SHRM's [\*2025 Employee Benefit Survey\*](#) (Benefit's Survey) has found that employers consistently recognize leave as a foundational benefit rather than a discretionary perk.<sup>1</sup> This recognition has only strengthened in recent years. SHRM's Benefit Survey found that in 2025, leave benefits ranked as the second most important category of employer-rated benefits, with 81% of employers identifying them as "very" or "extremely" important — tied with retirement savings and planning benefits and surpassed only by health-related benefits (88%). This ranking underscores that paid leave is viewed as a core component of workforce well-being and organizational resilience.

SHRM's research further demonstrates that paid leave remains one of the most stable and prevalent benefits in the workplace. Foundational leave programs such as vacation and sick leave are nearly

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<sup>1</sup> Since 1996, SHRM has delivered the Employee Benefits Survey, one of the longest-running and most trusted sources of annual U.S. benefits data. The 2025 edition offers rich insights and tools tailored to help members benchmark, modernize, and stand out in attracting and retaining talent. For purposes of the survey, small employers have 1-99 employees, midsize employers have 100-499 employees, large employers have 500-4,999 employees, and extra-large employers have 5,000+ employees.

universal. From 2021-2025, vacation leave was offered by 98% to 99% of organizations of all sizes, while paid sick leave remained steady at approximately 95% to 96%. The consistency of these offerings, even as other benefits fluctuate, reflects a broad consensus among employers that time away from work is essential for employee health, morale, and productivity.

(a) Understanding paid leave offerings across organization sizes.

While baseline leave benefits are widespread, the scope and generosity of paid leave programs vary substantially by organization size. Small organizations largely mirror larger employers in offering vacation and sick leave, but they lag behind when it comes to more expansive and flexible leave benefits. Paid parental leave, for example, is offered by only 35% of small organizations, compared to 46% of large organizations and 66% of extra-large organizations. Paid family leave follows a similar pattern, with availability increasing significantly as organization size grows. These gaps suggest that employees' access to paid leave during major life events is heavily influenced by where they work, rather than by the universal need for caregiving and recovery time.

Larger organizations are also more likely to provide paid leave above statutory requirements, signaling that leave is being used strategically rather than simply to meet compliance standards. In 2025, parental leave beyond federal Family and Medical Leave Act (FMLA) requirements was offered by half (50%) of extra-large employers, compared to just over one-third (36%) of small employers. Paid adoption leave shows a similar gradient, increasing from roughly one-third (31%) of small organizations to more than half (54%) of extra-large organizations. These differences indicate that larger employers are investing in leave to support caregiving responsibilities and life transitions, while smaller organizations often face cost and operational constraints that limit their ability to expand benefits.

Disparities are particularly pronounced for emerging and specialized forms of leave that reflect a broader understanding of employee well-being. As paid leave extends beyond an employee's own short-term health needs, access becomes increasingly limited. While paid sick leave remains widespread, paid leave for mental health, reproductive health, and preventive care is still emerging and unevenly available. Gaps widen further for paid leave supporting new parents and family caregivers. Employees at extra-large organizations are significantly more likely to have access to paid maternity (62%), paternity (48%), and parental leave (66%), while workers at small organizations offer these benefits at 37%, 29%, and 35% respectively. Paid leave for extended family caregiving remains the least prevalent across all organization sizes, despite the growing complexity and prevalence of caregiving responsibilities.

(b) Demographic trends and the growing need for paid leave.

There are several important demographic trends — both within and beyond the workplace — that are increasing the demand for accessible, flexible, and sustainable paid leave, and that underscore the need for public policy to support employers in offering such benefits. The workforce and the

broader population are aging, more employees are living and working with disabilities or chronic health conditions, and caregiving responsibilities are expanding accordingly. These trends mean that workers increasingly need leave not only for their own health and life events, but also to care for children, aging parents, and other family members. As these demographic shifts continue, robust and administratively feasible leave policies will be essential to support employees, maintain workforce participation, and ensure organizations can meet operational needs while fostering well-being.

SHRM's [\*Labor Force Snapshot: Older People in the U.S. Labor Force\*](#) dataset found that workers in the United States who are 65 and older account for 7.1% of the employed population and are among the fastest growing segments of the workforce, with nearly two-thirds (61.8%) working full-time. As more individuals remain in the workforce later in life, the prevalence of chronic health conditions becomes a more central workplace issue. Data from the Centers for Disease Control and Prevention (CDC) indicate that nearly 93% of older adults have at least one chronic health condition and 79% have two or more.

Furthermore, employees with disabilities also represent a growing share of the workforce. People with disabilities account for 4.8% of the overall employed population according to SHRM's [\*Labor Force Snapshot: People with Disabilities in the U.S. Labor Force\*](#). SHRM's latest research, [\*Empowering Talent: Disability in the Modern Workforce\*](#), found that, around 2021, the labor force participation of people with disabilities began to increase sharply, with now 1 in 4 people with disabilities participating in the labor force in 2025. As participation in the workforce continues to rise among people with disabilities, employers are more likely to encounter ongoing and episodic health-related leave needs that require flexibility. Yet benefit structures have not consistently kept pace with these realities. These gaps highlight the growing mismatch between workforce demographics and available support, reinforcing the need for sustainable paid leave infrastructure that reflects today's workforce realities.

Caregiving is also an increasingly pressing workplace issue that shows up in daily operations for employers across the country. For a growing share of the workforce, balancing caregiving responsibilities with professional obligations is not a short-term challenge but a long-term reality. According to [\*Care and Careers: Navigating Caregiving and Work Responsibilities\*](#), SHRM's comprehensive caregiving research, 80% of working caregivers expect their caregiving responsibilities to continue over time, underscoring that caregiving is not a temporary disruption but an ongoing condition of work for millions of employees. As caregiving needs expand due to an aging population and longer life expectancy, employers are encountering caregiving demands with increasing frequency and intensity.

The workforce impact of caregiving extends beyond hours worked or job changes. Nearly one in four working caregivers manage dual or multiple caregiving roles, such as caring for both children and aging parents, and at least half of caregivers report providing care without consistent support from another adult. Many caregivers are primary caregivers, bearing the majority of responsibility

themselves. These overlapping and often unpredictable demands make rigid work schedules and limited leave options particularly challenging, increasing the likelihood of absenteeism, burnout, and eventual workforce exit when adequate supports are unavailable.

Paid leave plays a critical role in stabilizing employment and mitigating workforce disruptions. Without meaningful access, employees may be forced to choose between income and care, resulting in reduced hours, prolonged absences, or even permanent separation from the workforce. Paid leave, by contrast, enables workers to address their needs while remaining attached to their jobs, supporting continuity for both employees and employers. As these workforce challenges become more common and complex, paid leave is increasingly not just a benefit, but an essential workforce infrastructure that allows employees to remain productive, engaged, and economically secure.

This infrastructure is vital to the competitiveness and success of the broader economy, yet it cannot be reasonably sustained by employers alone. These workforce issues are not niche issues affecting a small subset of workers or organizations — they are widespread, enduring workforce realities. Compounding the challenge is the lack of public policy support, which not only does not increase access to paid leave but, in some cases, can hinder its expansion.

### **III. Current Challenges, Priorities, and Concerns for Employers**

Employers widely support paid family and medical leave and recognize its value for employees and overall workforce stability. However, the cost and administrative burden of providing these benefits can be substantial, particularly for small and medium-sized businesses, which often lack the resources to manage leave programs independently.

For organizations operating across state lines, these challenges are compounded by the complexity, inconsistency, and rapid growth of state and local paid leave requirements. Navigating this patchwork has become one of the most significant compliance and operational issues in leave management today. The resources required to administer these programs can limit benefit offerings, divert organizational capacity, or make compliance difficult to sustain. These challenges are not limited to very large, nationwide employers; even organizations operating in just two or three states face substantial complexity, particularly as employees increasingly live and work across multiple jurisdictions.

#### **(a) Coordination and administrative challenges of paid leave.**

At present, mandatory paid family and medical leave (PFML) programs exist in 13 states plus Washington, D.C., each with its own structure, eligibility rules, benefit formulas, and administrative requirements.<sup>2</sup> This number understates the true scope of the challenge. When

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<sup>2</sup> This count does not include other related layers of the PFML patchwork, namely state laws involving stand-alone temporary disability insurance benefits, voluntary PFML programs, and states that formally recognize family leave as a class of insurance. Temporary disability insurance benefits, which can also be thought of as “paid medical leave,”

related programs are included — such as stand-alone temporary disability insurance systems, voluntary PFML programs, and states that formally classify family leave as a form of insurance—the patchwork expands to as many as 23 distinct programs. Temporary disability insurance alone operates in 5 states, overlapping with but not fully aligned to PFML systems. Over the past several years, these programs have continued to evolve independently, with frequent legislative, regulatory, and administrative changes that make long-term planning difficult for employers.

A core driver of this complexity is the sheer number of substantive differences across state programs. Each mandatory PFML system contains more than 30 substantive conditions, many with additional layers of definitions, exceptions, and administrative standards. These differences span eligibility thresholds, qualifying reasons for leave, covered family members, duration of benefits, wage-replacement formulas, funding mechanisms, notice and documentation requirements, and job protection rules. Unlike other employment standards, employers cannot simply adopt the most generous provision across all operations, as no single standard satisfies every jurisdiction's requirements. Instead, employers must manage multiple, parallel systems, often within the same workforce.

These challenges are compounded by the need to coordinate PFML programs with existing federal and state laws. Employers must simultaneously administer laws like the FMLA, short-term disability benefits, workers' compensation, the Americans with Disabilities Act (ADA), the Pregnant Workers Fairness Act, and various forms of employer-provided paid and unpaid leave. For multistate employers, these overlapping requirements create significant administrative burden and risk of inadvertent noncompliance; for single-state employers, even modest misalignment can cause confusion and operational disruption.

SHRM research illustrates how widespread and consequential these coordination challenges have become. SHRM's comprehensive FMLA research found that nearly 6 in 10 employers (59%) reported that it is at least somewhat difficult to manage the coordination of FMLA leave with other types of leave, including short-term disability, workers' compensation, and paid parental leave. The same report found that more than one-quarter of employers (28%) reported lacking clarity about how to administer FMLA in conjunction with other unpaid leave options, such as personal leaves of absence or accrued leave banks. These issues, not even factoring in leave management from a staffing perspective, highlight the operational strain that leave complexity places on workforce planning and service continuity.

The burden is even greater for employers operating in jurisdictions with state-administered temporary disability insurance or family leave insurance programs. Among employers located in one or more of the 13 states plus Washington, D.C. with their own systems, SHRM research found

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exist in five states—California, Hawaii, New Jersey, New York and Rhode Island. Only Hawaii is not included in the list of 13 states, plus Washington, D.C., noted above. The latter two groups — voluntary PFML programs and states where family leave is a class of insurance — have blossomed into their own parts of the patchwork over the last two years. If these various programs were included in the state PFML patchwork count, they would bring the count to 23 programs.

that 53% of respondents reported that aligning FMLA with state or local leave laws presents a moderate or major compliance challenge. These employers must navigate differing benefit triggers, timelines, documentation requirements, and reporting systems—often without clear guidance on how the various programs interact.

These challenges have direct implications for sustainability and administrative and financial feasibility. Employers — particularly small and mid-sized organizations — face real constraints related to administrative capacity and the cost of self-funding paid leave. While many employers may want to expand benefits, the absence of clarity and consistency across jurisdictions can limit their ability to do so. In some cases, complexity itself becomes a barrier to offering more generous or flexible leave options.

(b) Steps to streamline and harmonize leave programs.

These realities point to the need for greater coordination and regulatory clarity among state programs for PFML. A federal framework could establish a common language and a minimum national floor for these state programs, while preserving employer flexibility and state innovation. Harmonizing key definitions, aligning eligibility standards, recognizing actuarial equivalency for employer-provided plans, and avoiding duplicative reporting would significantly reduce administrative burden without diminishing worker protections.

A promising approach to addressing these challenges is H.R. 3090, the Interstate Paid Leave Action Network Act (I-PLAN Act), a bipartisan initiative introduced within the 119th Congress as part of H.R. 3089, the More Paid Leave for More Americans Act.<sup>3</sup> The I-PLAN Act is intended to serve as a link among state PFML programs by creating some shared standards and interoperable systems. Through formal interstate agreements, participating states would collaborate on definitions, eligibility rules, administrative processes, data sharing, portability of benefits, and evaluation of employer-provided plans. Importantly, the I-PLAN Act does not replace state programs; it helps align them, reducing friction for employers and confusion for workers.

By aiming to provide states with a common playbook, the I-PLAN Act has the potential to meaningfully reduce administrative complexity, improve benefit portability, and support a more cohesive national paid leave system — without mandating a single federal program. For employers, especially those operating across state lines, this type of coordination could improve compliance, lower administrative costs, and make it easier to invest in employee-centered leave benefits. We encourage the Subcommittee to view this bill as an important first step and to begin considering it through the full legislative process, including opportunities for refinement and

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<sup>3</sup> SHRM applauded the introduction of the Interstate Paid Leave Action Network (I-PLAN) Act, congratulating the bipartisan Paid Family Leave Working Group for addressing challenges created by the patchwork of state and local paid leave regulations. SHRM reaffirmed its commitment to prioritizing policy over politics and supporting potential bipartisan solutions. See SHRM statement, [“What People Are Saying about Houlahan’s I-PLAN: Congress Must Support State Paid Leave Programs.”](#) quoting Emily M. Dickens, Chief Administrative Officer, SHRM.

amendment, with continued input from the stakeholder community to ensure it ultimately achieves its intended goals.

Employers want to support their workforce, but federal public policies must reflect operational realities to better enable sustainable implementation. With thoughtful coordination and collaboration, Congress has an opportunity to strengthen the nation's paid leave infrastructure in a way that delivers clarity, consistency, and feasibility (both financial and administratively), while ensuring employees across the country can access paid leave when they need it most.

#### **IV. The Role of Public-Private Partnerships**

Organizations and the leaders within their organizations play a central role in translating paid leave policy into practice. HR professionals, benefits administrators, and strategic business leaders are responsible not only for complying with legal requirements, but also for designing, implementing, and communicating leave benefits in ways that align with organizational workflows and workforce needs. These professionals make strategic decisions about how leave integrates with staffing models, operational demands, and total rewards strategies, ensuring that benefits function effectively for both employees and the organization as a whole.

Because paid leave touches nearly every aspect of workforce management, effective policy design depends on meaningful collaboration among employees, organizations, HR professionals, and government entities. Private sector input is essential to developing policies that are administrable, sustainable, and responsive to real workplace conditions. SHRM's members, including individual contributors, HR professionals, business executives, and C-suite leaders, are on the front lines of coordinating leave across multiple programs., responding to employee questions, managing compliance, and addressing unexpected operational challenges. Their experience provides critical insight into what works in practice, where complexity arises, and how policy choices affect day-to-day operations.

SHRM recognizes that realizing the full potential of initiatives like the I-PLAN Act will require a comprehensive and coordinated approach. Creating shared policy frameworks, administrative standards, and interoperable systems cannot be achieved in isolation. It requires leveraging the expertise of professionals who have hands-on experience designing and administering benefits across organizations of different sizes, industries, and geographic footprints. These practitioners understand how leave policies intersect with payroll systems, workforce planning, compliance obligations, and employee communications, and they are uniquely positioned to identify opportunities for simplification and alignment.

Consultation with HR professionals, benefits administrators, and business leaders is especially important in a national framework intended to unify policy and administrative requirements across states. A consistent national standard can help employers support their workplaces – who are becoming increasingly mobile — by reducing administrative fragmentation and ensuring employees experience continuity in their benefits, regardless of where they work. At the same time,

flexibility must be preserved so employers can tailor benefits to their workforce while meeting a common set of expectations.

Equally important is ensuring that any framework reflects the full range of reasons employees need leave. Paid leave policies must account for parental leave, caregiving for family members, and an employee's own medical needs, recognizing that modern workers often experience overlapping and evolving responsibilities over the course of their careers. Employers routinely see these realities firsthand and can help ensure that qualifying reasons for leave are defined in ways that are inclusive, clear, and workable.

SHRM's research consistently shows that comprehensive and well-designed benefits packages are critical to attracting and retaining talent. Our members understand that paid leave is not only a compliance obligation, but a strategic investment in employee engagement, productivity, and well-being. By engaging the professionals responsible for implementing these policies, policymakers can craft paid leave solutions that are practical, scalable, and effective — delivering real value to workers while supporting employers' ability to operate and grow.

## **V. Key Takeaways and Policy Requests**

In closing, paid leave is consistently recognized as a critical pillar of modern workforce policy and an essential tool for effective talent management, employee well-being, and organizational stability. As various responsibilities grow, work arrangements evolve, and employees increasingly expect benefits that reflect real-life needs, the importance of paid leave will only continue to intensify. At the same time, the current patchwork of state and local requirements has created significant complexity for employers and uneven access for workers, underscoring the need for a unified, modernized, and flexible national framework that promotes clarity, consistency, and sustainability while allowing employers to meet the diverse needs of their workforces. Developing such a framework requires meaningful engagement with employers and the professionals who design, implement, and communicate leave benefits and who understand firsthand how policy decisions translate into workplace realities.

SHRM and its membership stand ready to support policymakers by sharing data, technical expertise, and real-world insights from organizations of all sizes and industries. We appreciate the opportunity to testify today and to contribute to the ongoing dialogue, and we look forward to continuing to work with Congress to advance paid leave solutions that strengthen employees, employers, and the broader economy.