Opening Statement of Ranking Member Gregorio Kilili Camacho Sablan Subcommittee on the Health, Employment, Labor and Pensions "H.R. 4219, the *Workflex in the 21st Century Act*" 2175 Rayburn House Office Building July 24, 2018 at 10 a.m.

Thank you, Chairman Walberg. I am pleased that we are focusing on the inadequacy of our nation's leave policies.

Last Friday the Bureau of Labor Statistics released new data finding that nearly 71% of private sector workers now have some access to paid sick days.

And although this is good news, that number drops dramatically, to 52%, for those in service occupations, and even further, to 31%, for the bottom ten percent wage earners.

Workers' inability to access paid sick days is part of a larger problem of workplace flexibility. I agree with Chair Foxx' statement at last December's hearing that paid leave and workplace flexibility is not a "women's issue" but rather it is a core economic issue.

Most private sector workers do not have access to paid family and medical leave benefits and many have highly unpredictable schedules:

- 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 billion in lost</u> wages each year.
- Additionally, 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.

Unfortunately, the bill we are discussing here today, H.R. 4219, does not guarantee workers the ability to earn time off to care for themselves or a loved one and many workers may not even be better off than the status quo. Under the bill employers who voluntarily create this new ERISA qualified flexible work arrangement plan would no longer have to comply with state and local laws in 10 states, 32 cities and 2 counties that have been enacted in the absence of federal minimum standards. H.R. 4219 could actually leave workers worse off:

- Employees are still beholden to their employers' generosity because the plan is purely voluntary. The bill's language also does not mandate that employers must offer benefits to all of its employees.
- Under the plan options workers would get some paid time off but also lose access to state and local paid sick days, scheduling, and overtime protections. And in states where these protections do not exist, under one of the plan options, workers would lose out on federal overtime protections.

H.R. 4219 usurps the authority of state and local legislators to create critical workplace policies for their constituents and its overly broad language would preempt employers from having to comply with state and local paid sick days laws, fair scheduling, overtime, and potentially a host of other laws.

We have solutions based on the successes at the state and local level that would establish a true federal floor under which a vast majority of workers would gain access to paid time off and fair schedules. These are proposals that would not usurp state and local legislators' authority:

The Healthy Families Act, introduced by Representative DeLauro, 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. The FAMILY Act, also introduced by Representative DeLauro, 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 (0.2%) of wages. In return, workers would receive two-thirds of their wages during eligible family leave.

The Schedules that Work Act provides flexible, predictable and stable work schedules. The bill would give employees the right to make scheduling requests without employer retaliation, and provide retail, restaurant and janitorial workers with at least two weeks advance notice of their schedules.

H.R. 4219 would allow employers to avoid compliance with state and local paid sick 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 thank the witnesses for their time and look forward to the discussion. Thank you and I yield back the balance of my time.