

## COMMITTEE STATEMENT

## Opening Statement of Rep. Tim Walberg (R-MI) Chairman, Subcommittee on Health, Employment, Labor, and Pensions Hearing on "Workplace Leave Policies: Opportunities and Challenges for Employers and Working Families"

## December 6, 2017

This century has a vastly different business landscape than the last. From the advent of the gig economy to the demand for telework and other work-life policies that address employees' needs, "business as usual" just doesn't work for working families anymore. In response, many employers have implemented and continue to implement innovative paid leave policies.

In fact, today's workers are starting to consider these paid leave policies alongside other traditional, tangible benefits like pay raises. A 2015 study conducted by Harris Poll and Glassdoor found that nearly four in five employees would prefer new or additional benefits or perks over a pay increase.

Additional studies have validated this employment trend even more in recent years. This year, the HR Policy Association released a study that noted "nearly 70 percent of [its] members find that millennials expect greater flexibility with regard to scheduling and time off."

Innovative paid leave policies are not only an important tool for businesses to attract and retain the best employees, but they also give workers across all business sectors the ability to create a better work-life balance. Time off is increasingly important to employees, whether it's used to go back to school, care for a child or loved one, or just to spend more time with family.

Employers are responding to these changing expectations by offering employees a wider variety of benefits. In addition to providing traditional paid time off and sick leave, an increasing number of companies have added flexible work arrangement options to their employment leave policies. These arrangements may allow employees to take advantage of cutting-edge offerings like flexible hours, telecommuting, compressed work weeks, and job sharing. Importantly, these arrangements are tailored to the needs of the employer's workforce.

As employers continue to develop and deploy these leave policies, there has been a significant increase in new and oftentimes conflicting state and local paid leave mandates. This growing patchwork of mandates across multiple jurisdictions creates a real

administrative and implementation burden, particularly on small businesses, while also increasing compliance costs for employers.

For example, currently there are eight states and over 30 localities with paid leave laws on the books. By contrast, 20 states have bans against local paid sick leave laws.

As you might imagine, all these state and local laws are far from consistent. The current patchwork of paid leave laws at the state and local level can pose challenges to employers of all sizes trying to navigate them. And the mandatory nature of these laws deprives businesses of the freedom to craft individualized policies to best address the needs of their employees. That doesn't help employers, and it doesn't help their workers. Today's hearing should give all of us valuable, firsthand insight into the evolving topic of workplace leave policies, and I look forward to the discussion.

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