



January 27, 2015

To: The Senate Committee on Economic Development

Testimony on S.15: Healthy Workplaces

Provided by: Lindsay DesLauriers
State Director at Main Street Alliance of Vermont

In all my work on this issue over the past years, I've learned that it isn't really a matter of great debate that people need the ability to take some modest amount of time off to manage their own health and to be able to care for their children and families. Everyone seems to understand that a low or middle income, hourly worker who relies on every one of his or her paychecks to make ends meet – to pay rent, buy food, pay the utilities, maintain the car – that faced with a sick child who should stay home from school or a doctor's appointment that falls during work hours, is faced with a seemingly impossible choice and, unfortunately, the need for financial resources tends to take precedence because the hardship of falling further behind or struggling to provide 3 square meals feels more pressing than an immunization, a physical exam, or letting a child rest instead of taking Tylenol and trying to get through the day. These are not points around which I find there's much debate.

The debate lies in whether we ought to legally establish a minimum standard of earned paid leave to *ensure* that everyone has the freedom to make healthy choices for themselves and their families.

The economy and the workforce have changed over the past 70 years. My maternal grandfather was a postman and he supported his family – his wife and two children, owned their home in Burlington and sent his kids, my mom and my uncle, to UVM – all on a single income. My paternal grandfather worked at the A&P in Brockton Massachusetts, then in Braintree, then they had a farm in South Burlington, Vermont. My grandmother did not work. My father and my six aunts and uncles all went to college and graduated without debt.

Today, things are different. In Vermont, about three quarters of children under age 12 live in households where all the adults are in the workforce. More and more

children rely on childcare because both parents have to work, which is why early care and education is such an important issue in Vermont right now. Our median household income is low and stagnating. People can't afford not to work anymore and that means that there isn't anyone at home to take care of the kids, bring them to the doctor's, stay with them when they get sick or injured, check up on mom or dad who is aging in place, but sometimes still needs care, to stay by hospital bed, like my brothers and sisters and I did in shifts last year, when my dad had heart surgery. No – today, these natural parts of life need to fit together with work in a way that our workplace standards simply don't contemplate.

And for those who work hourly jobs, this omission means struggle, lack of access to healthcare, and an inability to care for one's family. For those of us with this benefit, it means that our children are exposed to illness in school because their classmates' parents don't have paid time off. It means that I got food poisoning twice last year because it's not the culture in foodservice to provide paid time off. It means that, depending on the size of the business they work for, co-workers suffer from flu contagion 12%-40% more than we need to.

Many businesses understand this reality and accommodate these fundamental needs in a way that allows their employees to manage their personal lives harmoniously with their work responsibilities. This legislation will not impact those employers. As I'm sure you already understand, any equivalent type of paid time policy – including a vacation or combined policy, that an employer provides will meet standard proposed in this legislation without impact.

The question is whether it's right to establish a minimum standard, like the minimum wage, for earned paid leave. I wish that the answer was no and if everyone was doing it, we wouldn't be here. But there is need because a too significant percentage of Vermonters do not have access to any paid time whatsoever.

20% of our workforce.

1 in 5 Working Vermonters.

Nearly 60,000 people.

So – for me and for the Main Street Alliance business owners on our Earned Leave Coalition that I'm representing – the question isn't whether there should be a standard – it's what it should be and how we find the balance that will work on both sides of the equation: for employers and employees.

To answer this question, we engaged in two significant activities over the summer and fall.

From July through September, we conducted a statewide survey of small business owners. Surveys were conducted in person, we covered 12 counties, walked into over 800 small businesses along Vermont's Main Streets, spoke with over 350

business owners, and completed 259 surveys. These surveys covered a range of issues and questions about the business owners' business practices, policy positions, and personal experiences as employers.

In October, we co-hosted with former Governor Kunin, a Vermont Business Task Force on Earned Leave. We invited representatives from the VT Commission on Women, VBSR, The Lake Champlain Chamber of Commerce, The Vermont State Chamber of Commerce, Associated Industries of Vermont, the Vermont Ski Areas' Association, and the Vermont Retail and Grocers' Association. MSA, VBSR, the Commission, the Lake Chamber, AIV, and the Retail and Grocer's all attended. We had organization leaders including staff and board members present. And the table was evenly divided between those who supported the legislation and those who opposed it.

It was a two day event. The first day included a series of presentations including a visit from US Secretary of Labor, Secretary Perez, a University of Vermont economist and medical professor, last year's bill sponsor in the House, Representative Head, chair of the House Committee on General Housing and Military Affairs who passed a version of this legislation through their committee last year, national experts on paid leave policy teleconferenced in, a small business owner who experienced implementation in Portland, a public official who oversaw implementation, and Matt Barewicz from the VT DOL.

The second day consisted of facilitated conversation among the participants.

The process was extremely constructive and educational for both sides. As you can see, we are not all in harmonious agreement, but speaking for myself – I believe that we all left with a much greater understanding of the issue and each others' perspectives. And the legislation that you're considering today is a direct reflection of what we learned through that process and through our door to door outreach to business owners this summer.

Specifically, I'd like to draw your attention to the 500 hour waiting period, which is the equivalent of three months of full time work. This is new this year and reflects the most consistent feedback that we received from businesses about this issue. More than anything else, we heard that a significant waiting period would address the real life functionality of our goal to establish a minimum standard of earned paid leave in Vermont for the following reasons:

- It is consistent with the common practice of establishing a probationary period for new hires, which is typically 3 months.
- It effectively excludes short-term temporary workers and temporary part-time workers. So – for example, if you own a grocery store and you hire a few high school kids over the summer to bag groceries, they wouldn't be eligible for this benefit because of this waiting period. Likewise, if you work for a season as a part-time patroller to get your ski pass, you won't meet this requirement.

- It manages to exclude these very temporary workers without excluding permanent part-time employees, which is important because in our service sector economy, it is increasingly common for people to work multiple part-time jobs to make their living.

So – back to the question: whether we ought to legally establish a minimum standard of earned paid leave.

I, and the businesses that I'm speaking for today, believe that we should. And, most Vermonters agree with us. According a statewide poll conducted in the fall of 2013 by a private polling firm, Anzeloni Lizst Grove, 72% of Vermonters support establishing a minimum standard of paid leave in Vermont. (memo provided to committee)

Those who argue against this proposal often say that this is a choice that should be left up employers and that most already do it. To close my testimony, I'd like to walk through a handful of data points that frame the business and benefits landscape in Vermont and who we are talking about.

Please refer to attachment.

Thank you very much for your time and consideration of S.15.
We look forward to working with you.