



April 13, 2022

House Committee on Commerce and Economic Development
Vermont State House
115 State Street
Montpelier, VT 05633-5301

Good Morning,

Thank you for the opportunity to testify on behalf of our organization, for the record, my name is Morgan Nichols and I am the New England Regional Manager of Main Street Alliance and we represent over 700 small businesses from throughout Vermont, fighting for policies that not only serve our small businesses, but our workers, our families, and our communities, because they know then our communities are doing well, our businesses can thrive.

I want to start out by saying that I know that we all want COVID to be over and that we want to move into this endemic phase of the virus. I also know that for the 529 individuals who were reported in yesterday's positivity rate, that per CDC guidance, they are all now in a position where they must quarantine for a minimum of five days and that for many, with rising costs in the grocery store and at the gas pump, this loss of income has major implications on their ability to meet their financial obligations such as rent, car payments, and food. We also know that for many, these five days aren't their first lost days of work in 2022. There is the parent who has had to care for the child who has been exposed or has COVID like symptoms or their child care facility or school has closed down during the height of Omicron. There is the worker who had to wait a few days for a negative test result to be able to return to work. There are the servers of a small restaurant that had to close down entirely because their back of house staff all tested positive and the business cannot run effectively without their cooks... as we know, the unintended consequences and impacts of this virus ripple far beyond just an individual exposure.

Over the last few months I have spoken with over 100 small business owners throughout the state and all of them are doing everything they can to stay afloat and attract and retain

workers. We know that no one chooses when they get sick and that for many, a worker's ability to have financial security is integrally linked to their ability to come to work. Our businesses know this and WANT to do the right thing but with increased costs there is only so far they can stretch a dollar and for many, wage replacement is out of reach.

We have heard from business owners like Eric Sorkin of Runamok Maple in Fairfax, who used FFCRA as a critical tool to help keep his workforce safe until this program ended in Sept of 2021. He tried to keep up with supporting wage replacement associated with COVID absenteeism but when OMICRON hit, it became financially untenable for him to continue to do so. Eric penned an oped in February showing his support for this program: <https://vtdigger.org/2022/02/08/eric-sorkin-we-need-a-wage-replacement-plan-for-covid-absenteeism/>

For our smallest businesses owners, not only is this the right thing to do to support workers, in this critically strained job market, this eligible use of APRA dollars is a targeted and critical workforce retention tool. If a worker can't ensure financial security through their job, they are going to look for other employment - in addition to providing financial security for the individual worker, this program will help bridge that gap and keep people in their jobs.

I spoke with a restaurant co-owner in Richmond yesterday and they shared that they had four people out last week and two people out this week. I shared our hopes to move this program forward and they said that this would be an incredible support to ensure that these workers don't have to burn through their earned time off and sick days - we heard this sentiment echoed from our friends at Red Hen Baking Co in Middlesex, Vermont Glove in Randolph and from many child care providers and after school programs who signed on to support the establishment of this program.

We know that this bill is still over in the Senate and that we only have so much time to move this forward, but I urge you to support the inclusion of a COVID Paid Leave Grant program. We are willing to work with both Chambers to come to a solution. We don't know what the road ahead looks like for COVID and while we know that we can't make everyone whole, we can ease the burden for these workers who without this program, have no other options available to them. Let's create a mechanism that provides responsive support to workers and small businesses, let's create a safety net that meets people where they are and acknowledges the real and lived experiences and financial burdens of this virus.

Small Business and Worker Testimony:

OPED: Randy George, Red Hen - Middlesex:

https://www.rutlandherald.com/opinion/commentary/george-covid-related-lost-wages/article_e20d4da9-ae7c-5253-87bf-6e8d3a7830ce.html

OPED: Eric Sorkin, Runamok - Fairfax:

<https://vtdigger.org/2022/02/08/eric-sorkin-we-need-a-wage-replacement-plan-for-covid-absenteeism/>

Small Business Voices:

“As a small non-profit, we offer a summer camp and job training for children and youth who are underserved, migrant, homeless, LGBTQ, children with trauma, minority, etc. We provide an enriching camp experience while providing breakfast and lunch to our campers. We charge our families ZERO Dollars to attend. At the same time, the cost of the camp is very real! We fundraise all year long, year after year, to help the children and families of our community. When I have staff out sick with COVID - I pay them. They have families and expenses as well. This hits our organization hard. If I'm paying for wages for staff who are out sick, I also have to pay extra for their replacements. This takes away from programming from children. It's not good.” Susanne Parent - Our Community Cares Camp, Richmond

“My business doesn't can't function without me and my employee showing up everyday. But some days we get sick. Some days my kiddo's daycare closes. There's no safety net for us in this. We need help and we need help NOW. Please! We're really struggling to make it through this pandemic with a functioning and profitable business.” Emily Eley - Emily Eley Coaching, Burlington

“We are struggling to find and keep qualified teaching staff. Even though we offer paid sick and vacation time, we cannot afford to cover the amount of time employees need for all the time they are out with sick kids, covid symptoms, or quarantines. Offering paid sick time is the least we can do for the people who are providing direct care to children who are too young to be vaccinated. We know this paid time will also benefit parents who must keep their children at home when they have symptoms of illness or are awaiting COVID test results- right now there is so much tension between parents who cannot afford to stay home with their children and teachers who cannot afford to get sick!” Child Care Provider, Chittenden County

"At Vermont Glove, we have worked tirelessly to ensure that our valued employees have the ability to put health and safety first by supporting their wages when they need to be out for COVID-related reasons. This is not only the right thing to do but it's the right business decision because it provides security and consistency for our workforce. We also know that this might not be available for all employers and workers, so we strongly support the establishment of a COVID Worker Relief Fund - so that no one needs to choose between a paycheck and their health" Sam Hooper - Vermont Glove, Randolph

"This would help with worker retention for my underpaid overworked teachers who have hit stress levels unimaginable until this pandemic." Child Care Provider, Chittenden County

"We currently offer 5 days of Emergency Sick Leave to be used for Covid-related absences. We are unable to provide any additional time and more than half our staff used this emergency sick leave entirely in the first two weeks of January. This leave cannot be used in caring for a child who is quarantining and members of our staff have young children and are rapidly using up the little sick/vacation time they have available. We are already a field with a high rate of burnout, understaffed, and underpaid. Our field will collapse if educators can't afford to care for themselves and their family due to prolonged and required absences." Child Care Provider - Chittenden County

"It would alleviate a significant portion of stress on both the employers and the employees. It will keep the workplace safer, in that an employee will not be forced to work (when ill) on site in order to be paid enough to meet their most basic needs. It will also be a huge financial relief to employers who want to do the right thing but cannot afford to pay their workers when they are not working. Using Federal ARPA funds for this seems absolutely logical and as intended." Cynthia Thomayer - Sunrise Family Resource Center, Bennington

"We are struggling to keep our childcare program doors open due to so many absences. We cannot serve as many children as usual due to the number of staff out on a regular basis and yet as a conscientious employer we feel strongly about paying these people their time off so they are not put in an even more difficult position. However, this causes us to consistently run a deficit in our childcare program that we have been running now for 2 years. We are not able to sustain this any longer and need assistance now to continue providing care for dozens of children in a much needed part of our state." Margot Holmes - Springfield Area Parent Child Center, North Springfield

“We have a number of employees who have missed work recently because they have had to isolate after a positive COVID test. We have a generous paid time off benefit, but for some of our staff, their need to miss work for COVID-related reasons has used up all of their PTO balance.” Randy George - Red Hen Baking Co, Middlesex

“As a small business with 7 employees, we are extremely dependent on our entire team's health and wellbeing. This fund would give our staff peace of mind that they would not miss out on much needed income due to COVID19. It would also keep our communities safe, since employees of all businesses would not feel the pressure of coming to work sick or staying home without pay. Our goal has always been to grow our small business large enough to afford paid sick leave, but that possibility is now more distant because of the pandemic financial struggles. This fund would ease many concerns for the workers of small businesses.” - Justin Barrett - Piecemeal Pies, White River Junction

“Many of our staff are out of all of their paid time off due to COVID. Their annual time off started in September and most of them are out of their 3 weeks of time and now are going unpaid.” Sonja Raymond - Apple Tree Learning Center, Stowe

“This is something that would greatly benefit us. We are a mission driven staffing agency that places people into jobs with Vermont Employers and then we support them with recovery coaching. We work with those that have barriers to employment and generally have little to no resources. Covid has hit us hard and people have not been able to work as much as they can because of getting Covid or being exposed to Covid or their family members being exposed. We cannot pay them for the hours that they cannot work. The financial model of the business does not support this. If there were funds to make up these lost wages it would benefit the people that need it the most.” Mickey Wiles - Working Fields

WORKER VOICES - We have over 500 workers that have signed onto our letter to the legislature. They are from throughout Vermont that represent a range of sectors, including retail, child care worker, restaurants, service sector, manufacturing,

“I am extremely grateful to work for a forward-thinking, people-centered food cooperative whose HR team made sure that staff members who needed to miss work for COVID-related reasons had access to a pool of PTO. Not having to worry about lost wages during those critical moments was a safety net that prevented me from having to choose between food, rent, or medical care during this extremely challenging time. I want

everyone to have access to such a safety net.” - Education and Outreach Coordinator, Weybridge

“I have been very fortunate to not have had covid yet, but I have seen many colleagues deplete all of their PTO because they contracted covid and needed to be responsible and stay home. I will not be an exception in the event that I contract covid and it will put my household under financial stress.” - Early Educator/childcare provider, Fairfax

“I’m privileged to work for an employer that is able to support staff so we don’t incur a loss of pay or benefits due to the pandemic. However, my partner is not so lucky. His loss of wages has impacted our family dramatically. He had just started his own carpentry business when COVID first hit and that quickly went under due to the pandemic. Since then he has been looking for work but it is difficult. Due to our childcare needs he can only work part time or nights and finding that kind of flexibility, especially in the contracting industry, is nearly impossible. When he did land such a job, he lost it shortly thereafter when our daughter tested positive for COVID at school. She had to be home for a week and as a close contact he did too. I couldn’t care for our child as I also contracted COVID. We are all fully vaccinated and my partner and I are boosted! His employer had to let him go.

Families like ours are stuck. If my partner had access to a supportive family and medical leave policy, he’d probably still have that job and our family wouldn’t be struggling. Since then our family has either tested positive or been in close contact with others 3 times! It is impossible for both of us to engage in employment without the support of paid family and medical leave! Vermont needs this now more than ever.” - Worker, South Royalton

“Our entire Child Care facility has been impacted by COVID. Staff absences. Low enrollment in child care and loss of income due to low enrollment. No COVID grants available to help our clients with necessary resources. At the beginning of the pandemic, we received COVID grants to help with these things. This has been a very difficult time for parents, children, childcare centers across the state. Parents impacted by quarantines and sickness. Their employment threatened because of the need to stay at home whenever a child in the center tests positive.” - Administrative Assistant/Benefits Coordinator, North Springfield

“Between having to take time off because I get COVID and my daughter’s exposures, I no longer have any time off and we just started the year. I’m a single mom with no other income” Daycare Teacher, Colchester

“I have been out of work a lot in the last couple of months due to being sick and caring for my sick child. I have no more paid benefit time off and can not afford to take any more time off.” Teacher Associate, Jericho

“Between business and daycare closures, my husband and I have lost almost \$2000 in lost wages and childcare payments in January alone. We are out of sick leave, vacation time and there hasn’t been a single week where my son has gone to a full week of school.” Restaurant Worker, Stowe

“My son has been exposed 6+ times at childcare just between the months of October-December 2021, meaning I had to miss at least a week's worth of work during these exposures.” Early Interventionist, Claremont

“I had to take time off work when my daughter came down with COVID and then I came down with it after her. In total, I had to take 2 weeks off and nearly depleted my sick leave. I have to have surgery in March 2022 and now do not have the sick time needed to cover the time off I will need for this surgery. Of course, my employer will grant me the time off, but I will have to use some of my vacation time to be paid for it. Fortunately, I have enough between the two to be paid for this time off, but having funding available to employers to pay employees when they are out due to COVID would be a huge help to families!” Early Interventionist, Barre