

Statement by the ERISA Industry Committee
to the
House Ways and Means Committee
Hearing on
In Their Own Words: Paid Leave, Child Care, and an Economy that Failed Women

April 27, 2021

Chairman Neal, Ranking Member Brady, and members of the House Ways and Means Committee, thank you for the opportunity to submit a statement for the record on behalf of The ERISA Industry Committee (ERIC) on paid leave. ERIC is the only national association that advocates exclusively for large employers on health, retirement, and compensation public policies at the federal, state, and local levels. ERIC's members are leaders in every industry sector and provide comprehensive retirement and health benefits to tens of millions of active and retired workers and their families across the country. As such, ERIC has a strong interest in policies that impact employers' ability to administer paid leave and other benefits to a nationwide workforce.

While we appreciate the focus of the hearing highlighting the importance of paid leave to all employees, particularly women, we were disappointed that very little time was spent discussing the valuable paid leave provided to millions of workers across the country through voluntary paid leave plans offered by many employers, particularly large, multistate employers. In addition, there was no discussion on how to ensure that federal legislation bolsters those programs and provides relief for employers that divert valuable resources from employee benefits to pay for compliance with conflicting and burdensome state and local paid leave mandates.

In a recent survey of ERIC member companies, 100 percent provide access to both short-term and long-term disability leave to address a serious personal medical incapacity; 90 percent provide paid parental leave to care for or bond with a newly-born or adopted child; and 65 percent provide paid family leave to care for a family member with a serious medical illness. Despite the fact that most large employers already provide paid leave, they are forced to comply with state and local mandates that are typically targeted at employers that do not already provide paid leave. This situation creates a compliance nightmare for employers, especially those with workers in many states.

When considering federal paid leave policy we encourage the Committee to consider the current patchwork of state paid leave mandates and act to ensure that employers can use a single standard for paid leave rules rather than a myriad patchwork of rules and regulations. To detail the many issues that multistate employers face, ERIC issued a white paper entitled, [*Paying the Way: Large Employers and the State Paid Leave Patchwork*](#). As the paper demonstrates, an ever-increasing patchwork of state and local paid leave mandates is threatening voluntary paid leave programs due to the operational cost and challenges that are necessary for compliance.

Furthermore, these mandates often do not increase the benefits that are already provided. Therefore, employees who previously received paid leave benefits through their employers are experiencing disruption and confusion, and, in some cases, a decline in paid leave benefits as employers are forced to restructure these benefits.

Consequently, we urge Congress to pass federal paid leave legislation that supports employers in their continued ability to provide generous employer-funded paid leave benefits. Moreover, at the federal level, Congress should ensure that federal paid leave legislation does not add to the current patchwork of policies by creating a national exemption or safe harbor that provides relief for employers that already voluntarily offer paid leave benefits.

Thank you again for raising the important topic of paid leave and for the opportunity to share our concerns. We look forward to further discussions with you on this important topic. If you would like to discuss our concerns or our paper, please do not hesitate to contact me at arobinson@eric.org or (703) 899-7780.

Sincerely,

A handwritten signature in cursive script that reads "Aliya Robinson".

Aliya Robinson
Senior Vice Present
Retirement and Compensation Policy