

STATEMENT FOR THE RECORD BEFORE THE VIRGINIA HOUSE LABOR AND COMMERCE COMMITTEE SUBCOMMITTEE #1 ON HB 737 "PAID FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM"

January 25, 2024 Awesta Sarkash Public Policy Director, Small Business Majority

Thank you Chair Lopez, and members of the Committee:

My name is Awesta Sarkash and I am the Public Policy Director for Small Business Majority. Thank you for the opportunity to discuss HB 737, legislation that would create a state-run paid family and medical leave program. We urge you to swiftly pass this legislation to support Virginia's small businesses.

Small Business Majority is a national small business organization that empowers America's diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to deliver resources to entrepreneurs and advocate for public policy solutions that promote inclusive small business growth. Our work is bolstered by extensive research and deep connections with the small business community that enable us to educate stakeholders about key issues impacting America's entrepreneurs, with a special focus on the smallest businesses and those facing systemic inequities.

The COVID-19 pandemic underscored the importance of accessing paid family and medical leave for small businesses and Virginians alike. Nationwide, we're seeing other states passing measures to implement state-run paid family and medical leave programs, as a federal policy has yet to materialize. This is why it's critical to pass a state-run policy, which would further modernize and create a robust benefits infrastructure that can benefit small business owners and their employees. This, in turn, would help level the playing field for small employers that can't afford to provide paid family and medical leave on their own. The proposed legislation would establish a paid family and medical leave insurance program in the Commonwealth, ensuring eligible employees can take at least 12 weeks of paid time away from work when they need it.

Implementing a paid family and medical leave program is a commonsense policy solution that small businesses can get behind. Virginia small businesses want to offer benefits to their employees because it helps them retain staff and compete with larger competitors. In fact, a Small Business Majority survey found that 66% of Virginia small business owners support establishing a state-run paid family and medical leave program.

We urge you to vote yes on HB 737 to create a paid family and medical leave program in the Commonwealth to support the small business community.

Thank you,

Awesta Sarkash Public Policy Director Small Business Majority