



September 14, 2020

Joan Harrigan-Farrelly
Deputy Director, Room S-3002
U.S. Department of Labor
200 Constitution Avenue NW
Washington, D.C. 20210

RE: Request for Information; Paid Leave, RIN 1290-ZA03

Dear Ms. Harrigan-Farrelly,

As a representative of America's 30 million small businesses, Small Business Majority writes today to convey our support for paid leave policies that support small businesses and their bottom lines. Commonsense paid leave policies must be supported at the federal level in order to support our evolving entrepreneurial community while ensuring small businesses can compete on a level playing field and allow their employees the ability to take care of themselves and their families without sacrificing their economic security. This is particularly essential during the COVID-19 pandemic where small businesses would be better equipped to offer paid leave if a federal paid leave insurance program existed.

Small Business Majority is a national small business advocacy organization, founded and run by small business owners to ensure America's entrepreneurs are a key part of a thriving and inclusive economy. With a network of more than 70,000 small businesses, we are actively engaging small business owners and policymakers in support of long- and short-term policies that will lead to a healthy recovery in the wake of COVID-19.

Small business owners know it makes good business sense to take care of their employees, as it's crucial to retaining a productive and talented workforce. But unfortunately many small businesses do not have the resources to offer robust benefits that larger companies can provide, like paid family and medical leave, which often puts them at a disadvantage when it comes to attracting and retaining employees.

This is why small businesses strongly support insurance programs at the state and federal level that allow small businesses to facilitate access to a paid leave program at little to no cost to their business. [Our polling](#) indicates that 70% of small businesses believe it's important to establish a federal program to guarantee access to paid family and medical leave. What's more, 26% of small businesses already offer maternity leave, and nearly 37% offer both maternity and paternity leave. Paid leave would allow small businesses to compete with larger companies that have the resources to provide such a benefit while taking care of their employees.

Based on the experience of businesses in states that have implemented paid leave programs, research has found that paid leave has not had a negative impact on businesses as some have claimed. For example, in California, which has had a paid family leave program in place for more than a decade, [our recent survey](#) shows that the program is so popular that small employers support increasing the amount of leave available to employees. And despite concerns about the program's impact on businesses' bottom line, a [study](#) indicated that the majority of businesses in the state (87%) saw no increased costs. In fact, some businesses reported cost savings for their businesses due to reduced employee turnover. More recent [data](#) finds that small businesses experience a reduction in labor costs when workers use paid family leave, with firms employing 25 or fewer workers experiencing, on average, a 14% decrease in labor costs per worker when those workers use paid family leave.

The COVID-19 pandemic has underscored how vital small businesses are to our communities. Paid leave policies would help to strengthen our nation's small businesses during an unprecedented time.

Sincerely,

A handwritten signature in cursive script that reads "John C. Arensmeyer".

John Arensmeyer, Founder and CEO