

STATEMENT FOR THE RECORD

BEFORE THE HOUSE COMMITTEE ON FINANCE

ON THE

FAMILY AND MEDICAL LEAVE INSURANCE ACT

April 16, 2015

Tim Gaudette, Colorado Outreach Manager Small Business Majority

Thank you for allowing me to share comments with you on the importance of publicly-administered family medical leave insurance to small business owners and their workers. My name is Tim Gaudette, and I'm the Colorado Outreach Manager at Small Business Majority.

The FAMLI Insurance Wage Replacement Act (HB15-1258) will provide workers in Colorado with up to 12 weeks of paid leave a year to bond with a new child or care for a seriously ill family member. The FAMLI Act will benefit businesses by lowering turnover, boosting productivity, and enhancing employee morale. What's more, it's strongly supported by our small business community.

In fact, Small Business Majority's scientific opinion polling found 59% of small business owners across the country support paid leave insurance programs funded entirely by modest employee contributions. Based on the experience of other states with similar programs, a paid leave program is unlikely to have a significant effect on businesses in Colorado.

Additionally, a state-administered paid leave insurance program will help to make small businesses more competitive by ensuring that all workers can receive paid family leave regardless of the size of their company. Small businesses often cannot afford to provide the same paid leave benefits as larger companies, and thus lose valuable workers as a result.

What's more, many small business owners agree that paid family and medical leave isn't just the right thing to do, but that it makes good business sense. Taking care of employees is crucial to retaining a loyal, talented workforce. Small employers support family medical leave policies because they create a happier and more productive staff, which in turn leads to increased profits. Many small business owners think of their employees like family, so it's no surprise they support these types of programs. Policies such as these enable small business

owners to foster a better workforce while protecting their workers and their bottom lines.

We also know from our polling that many small firms already have some type of family medical leave policy already in place—either formally or informally. Nearly seven in 10 small business owners have a formal or informal policy for medical leave. Out of these, nearly 40% offer either full or partial pay to their employees, and 28% offer pay depending on the employee.

Small business owners understand how important it is for their employees who need to balance their work and family responsibilities to have reasonable options for doing so, but they need options that also make sense for their bottom lines. That's why small businesses support policies like the FAMLI Act.

I urge to consider small business support for this issue as you consider this measure.

Thank you.

Tim Gaudette, Colorado Outreach Manager Small Business Majority