

SPONSOR TESTIMONY SB 261 SENATE INSURANCE AND FINANCIAL INSTITUTIONS COMMITTEE TUESDAY, DECEMBER 4, 2018

Good morning Chairman Hottinger, Ranking Member Brown, and members of the Senate Insurance and Financial Institutions Committee. Thank you for the opportunity to provide sponsor testimony on Senate Bill 261, which establishes the Family Medical Leave Insurance Program. This program would allow for workers to continue earning a percentage of their paycheck while they take time off to care for a newborn, a newly-adopted or newly-placed foster child, a family member with a serious illness or to address their own medical condition.

This past February marked the 25th anniversary of the Family Medical Leave Act (FMLA) that was signed into law by President Bill Clinton. Since the passage of FMLA, Ohio has not made any significant strides to bring guaranteed, legally-protected paid leave to families. Today, only 13% of workers have access to paid family leave and that drops to a mere 4% among low-wage workers. Our strategy and hope is to elevate the conversation around this crucial need for Ohio families.

The Family and Medical Leave Insurance Program will support family stability, strengthen child-and-parent bonds, and reduce gender and economic disparities. Supporting Ohio families will lead to a healthier economy and a more productive, family-friendly workforce. If SB 261 is passed, Ohio will join California, Rhode Island, New Jersey and New York in offering paid family and medical leave benefits to its citizens.

Under the proposed legislation, workers would be provided up to 12 weeks of family and medical leave during a 12 month period at partial pay. To be eligible, employees must have worked at least 680 hours and contributed to premiums to the Family and Medical Leave Insurance Fund for at least one year. Funding for the program is provided <u>entirely by</u> the employee through premiums deducted from their wages.

Through this program, businesses would bear no financial cost and employees have the ability to opt out of the program. According to a survey conducted by the National Partnership for Women & Families, nearly two-thirds of Ohio voters, including both lower-wage and higherwage workers, reported that they would be willing to contribute towards a paid leave fund. Economists have also found that with paid leave, more people take time off, particularly low-income parents who may have taken no leave or dropped out of the work force after giving birth. Paid leave raises the probability that mothers return to employment later, work more hours and subsequently earn higher wages.

I ask members of the committee for favorable passage of SB 261 on behalf of Ohio's families and children. I would be happy to answer any questions you may have at this time.