

## **VT Family and Medical Leave Insurance (FaMLI) Coalition Call Upon the Legislature to Pass a Universal, Equitable and Affordable Paid Family and Medical Leave Insurance Program**

Montpelier, Vt., - Members of the FaMLI Coalition called upon the legislature today to take the time to pass an equitable paid leave policy in 2020 that includes guaranteed personal medical leave to Vermonters, an equitable bonding provision available to both parents and ensures that it is publicly administered to keep the program viable and sustainable. With the reinstatement of these critical provisions that are essential to Vermont's working families, the VT FaMLI Coalition would be proud to support H.107.

Randy George, Owner of Red Hen Baking, which employs 40 Vermonters, spoke in support of guaranteeing personal medical leave to all Vermonters. "We have an employee who is receiving treatment for colon cancer. He is working as much as possible during his treatment because any days that he misses, he only gets 60 percent of his wages under the plan we offer. Of course, if he were working for many small businesses, he would have no wage replacement at all. If he could receive 90 percent wage replacement, he would not feel such pressure to be working and would be able to focus more on his health. This would be a better outcome for him, but also for our business, the health care industry, and the economy in general."

A universal, equitable, and affordable paid family and medical leave insurance program will support the health, well-being and economic security of Vermont's children, families and small businesses and ensures that the next generation has a bright future. While the FaMLI Coalition appreciates that the governor and legislative leadership recognize the importance of paid family and medical leave for Vermonters and our economy, H.107 in its current form fails to provide equitable access to all working Vermonters – especially those who need paid leave the most.

"Eight states and D.C. have already enacted laws or implemented publicly administered state paid family and medical leave insurance programs that embody the principles of universality and adequate-wage replacement," said Morgan Nichols, Executive Director of Main Street Alliance of Vermont. "The experimental structure of H.107 has never been successfully executed in any other state and will perpetuate gender inequity, leave thousands of Vermonters behind, and put the affordability and the viability of the entire program at risk."

By not guaranteeing personal medical leave to Vermonters, failing to offer equitable bonding/caregiving to both parents and by privatizing the program, H.107 will leave thousands of Vermonters behind, perpetuate gender inequity and put the affordability and the viability of the entire program at risk.

The VT Family and Medical Leave Insurance (FaMLI) Coalition represents a broad constituency of businesses, family advocates, low-income advocates, and the interfaith community who are committed to advancing a strong, equitable paid family and medical leave insurance program for all Vermonters.

## **Key Elements of a Universal, Equitable, and Affordable Paid Family and Medical Leave Program**

The VT FaMLI Coalition is committed to the creation of a universal, equitable, and affordable paid family and medical leave insurance program for all Vermonters. We urge the legislature to reconsider the current proposal and take the time to get this important policy right for the sake of working Vermonters. Only universal programs with adequate wage replacement levels will ensure that low-wage workers can afford to take the time they need to bond with a new child, recover from an illness or injury or care for a family member.

In order to be a strong, viable and equitable paid family and medical leave insurance program the following provisions need to be reinstated:

1. Guaranteed personal medical leave. The majority of leave claims in programs across the country are to recover from one's own illness or injury. **Without this guarantee, working Vermonters are left behind.** H.107, in its current form, does not guarantee personal medical leave to Vermonters.
2. An equitable bonding/caregiving provision. Research shows that in the absence of dedicated leave-taking benefits, women tend to leave the workforce at higher rates for caregiving responsibilities. Individual premiums paid in the form of payroll deductions should provide equal access to program benefits, to ensure gender equity and simplify program administration. **By including a shared bonding/caregiving provision, without dedicated leave-taking benefits for each parent or caregiver, gender inequity is perpetuated.** H.107, in its current form, does not dedicate leave-taking benefits for each parent or caregiver.
3. A publicly-administered program. Publicly-run models are more affordable, viable and accountable to the public. They give states the ability to set strong benefit parameters and keep administrative costs and benefit costs low. By pooling the risk and resources, they make coverage as efficient and affordable as possible, ensuring the benefit can be provided universally at a low per-person cost. Private programs are driven by profit and have a built-in incentive to deny claims. There should be no profit motive complicating or reducing Vermonters' access to paid leave. **Without a publicly-run program, the viability of the entire program is at risk.** H.107, in its current form, includes a privately-run insurance program.

Eight states and D.C. have already enacted laws or implemented publicly administered state paid family and medical leave insurance programs that embody the principles of universality and adequate-wage replacement. These programs provide Vermont guidance as we develop our program. The experimental changes included in H.107 have never been successfully done in any other state and will perpetuate gender inequity, leave thousands of Vermonters behind, and put the affordability and viability of the entire program at risk.

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**Coalition Members:**

ACLU

American Federation of Teachers - Vermont

Community of Vermont Elders

Hunger Free Vermont

Main Street Alliance of Vermont

Mom's Rising

National Association of Social Workers - Vermont

Parent Child Center Network

Planned Parenthood of Northern New England

Rights and Democracy

Vermont AFL-CIO

Vermont Businesses for Social Responsibility

Vermont Early Childhood Advocacy Alliance

Vermont Foodbank

Vermont Interfaith Action

Vermont Network Against Domestic and Sexual Violence

Voices for Vermont's Children