



# Small Business

for

## Paid Family & Medical Leave

### PAID LEAVE OPPONENTS MESSAGES AND OUR CORE RESPONSE

As we work to win a national paid leave program, we hear a lot of the same talking points from the opposition. Here are their most common arguments – especially those related to small business – and essential points to refute them. Remember to lead with our message and avoid using the opposition frame. We have grouped common questions by these categories:

- **COST/TAXES**
- **HURTS ECONOMY & BUSINESS**
- **VOLUNTARY PROGRAMS ARE BETTER**
- **WOMEN & LOW-INCOME**
- **PRIVATE IS BETTER THAN PUBLIC**
- **SIMPLE IS BETTER**

OPPONENTS MESSAGE	OUR CORE MESSAGE
<b>COST/TAXES</b>	
<p>Small businesses won't be able to afford it.</p>	<p>Now, only big corporations and wealthy small firms can afford paid leave. This puts most small businesses at a competitive disadvantage recruiting and retaining top talent.</p> <p>The President's proposal will be paid for by a tax increase on the wealthy and large corporations so they pay their fair share.</p> <p>Small businesses won't foot the bill for paid leave, either individually or collectively.</p> <p>Let's level the playing field for Main Street.</p>

<p>This will cost millions -- we can't afford it.</p>	<p>Does this cost money? Yes. For the impact we need for small businesses, our employees and the economy, the country has to make a real investment.</p> <p>For Main Street businesses, the highest cost is the cost of doing nothing. A paid family and medical leave program funded as a public benefit will mean:</p> <ul style="list-style-type: none"> <li>● Employees can take the time they need to care</li> <li>● Small businesses have more dollars to invest &amp; expand</li> <li>● Small businesses retain employees and save on recruitment and retraining costs</li> <li>● Employees have ongoing income to spend in local economies</li> </ul>
<p>Paid leave is a nice luxury, but it isn't a necessity.</p>	<p>COVID showed us now more than ever that caring for family and oneself is a basic need, not a luxury.</p> <p>Unexpected crises and costs hit all of us and <a href="#">showed how badly we need to ensure access to paid leave</a>, to provide security to workers and businesses alike.</p> <p>No one should have to choose between their job and their family.</p> <p>Small business owners recognize this, and that's why they're clamoring for a paid leave program.</p>
<p><b>HURTS ECONOMY/BUSINESS</b></p>	
<p>Paid leave is a job killer.</p>	<p>Paid leave is a <u>job retention</u> policy.</p> <p>Without paid leave, small businesses are losing valued employees and dollars they need to expand and hire more people.</p> <p>Millions of women leave the workforce each year because of lawmakers' failure to create a paid leave program, which makes it harder for businesses to hire and survive.</p>

<p>Cost of finding temporary workers is a double tax.</p> <p>Workforce shortage makes it hard to find replacements.</p>	<p>People get cancer, have babies and need to take time off now. Having a national paid leave program in place would provide a structure and support to weather this difficult time</p> <p>A national paid leave program will help employers by freeing up money to hire a temporary worker or expand hours of existing staff when a valued employee is taking needed time away.</p> <p>Replacing an employee short-term may be hard, but replacing an employee long-term is even harder and even more expensive.</p> <p>In most states with paid leave, businesses are often able to cover the work by shifting work around or bringing past workers back in.</p>
<p>With small business still in recovery from COVID -- now is not the time to add this new program</p>	<p>Small businesses were overwhelmingly supportive of paid leave <i>before</i> the pandemic and continue to support it by wide margins across all parties.</p> <p>The pandemic revealed major gaps in our care infrastructure. Small businesses and our employees are bearing the overwhelming burden of this gap in policy now.</p> <p>The paid leave program being proposed -- fully funded federal program -- will <b>lessen the load on small businesses</b> - not increase it.</p> <p>Momentum for real change comes along only so often. It's time we got it right so that we're not caught flat-footed and unprepared for the next crisis.</p>
<p>Everyone will use leave every year.</p>	<p>People now are going without leave, or losing their jobs. Their families, the businesses they work for and our economy need stability.</p> <p>A small percentage of the workforce uses leave where it exists because it's only available for certain specific situations - having a new child, addressing your own certified serious health issue or caring for a loved one with a certified serious health issue.</p>

	<p>These circumstances will affect everyone at some point, but not all at the same time. A paid leave program makes everyone more secure when a serious health or care need arises.</p>
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<p>Companies that already offer generous paid leave will cut them if a national program is added</p>	<p>In states with paid leave, we've seen that the public policies set a floor and not a ceiling.</p> <p>Best-practice employers that can afford more generous benefits keep them because it gives them a competitive advantage.</p> <p>And it is important to remember that most businesses do not provide - and most workers do not have - paid leave right now, which means both are vulnerable when a serious health or care need hits.</p>
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**VOLUNTARY PROGRAMS ARE BETTER**

<p>One size doesn't fit all.</p> <p>Businesses know what works best for their employees.</p>	<p>A national paid family and medical leave program that is accessible to all working people in businesses of all sizes is not one-size-fits all. In fact, by covering a range of serious health and care needs, it recognizes that every person's family and personal needs are different.</p> <p>A national program sets a baseline that recognizes the needs of all businesses, all workers, and all families. Why would we pass that up?</p> <p>Besides, small businesses don't want to replicate their experience of shopping for health insurance, with an array of confusing, expensive choices. They want a simple, easy-to-use program.</p> <p>And working people want a program they can rely on, no matter where they work.</p>
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<p>Carrot approach is better than a stick! We should do tax credits instead.</p>	<p>In overwhelming proportions, <a href="#">small businesses identify a public paid leave program as the option they need to provide paid leave (80%) vs just 7% for a tax credit.</a></p>
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	<p>While giant corporations find it easy to take advantage of tax credit-based programs, the small local businesses who struggle to offer paid leave programs do not..</p> <p>A national paid leave program that provides benefits directly to workers does not require businesses to incur benefits costs, which means businesses have resources freed up to hire replacements or pay current workers to work more hours.</p> <p>Tax credits help giant corporations, not your local store.</p>
<p>Shouldn't Families First be a model to build on?</p>	<p>The Families First tax credits were essential to our business and many others</p> <p>However, they are not a good model for a permanent paid leave program</p> <p>Tax credit programs rely on the business owner applying for the credit -- and fronting costs until they are reimbursed</p> <p>Far too many businesses never found about about Families First and/or never applied for reimbursement</p>
<p>Should be opt-in and voluntary, not mandated.</p>	<p>Real small businesses are saying that a universal system covering all businesses is the solution that works for them.</p> <p>Bringing everyone in is the most effective and secure way to ensure those who need paid leave the most are able to access the benefit.</p>
<p>Not needed - most businesses offer paid leave.</p>	<p>Many businesses offer paid vacation and sick time - nowhere near the time the people need to care for a child or a major illness.</p> <p>The overwhelming majority of small businesses do not provide paid family leave to their workers or short-term disability insurance, leaving both them and their employees vulnerable when serious needs strike.</p>
<p>Hurts businesses that use leave to recruit</p>	<p>Lack of a national paid leave program tilts the playing field toward large corporations.</p>

## WOMEN & LOW-INCOME

<p>Something only women will use.</p>	<p>While caregiving still falls mainly on women, people of all genders are caregivers. And when men's wages are replaced at an adequate rate and they know they have a job to come back to, their use of paid leave goes up significantly.</p> <p>As for medical leave, anyone can have a heart attack or get cancer.</p>
<p>This will hurt women's hiring and promotion.</p>	<p>3 million women left the workforce during COVID - erasing 30 years of increases. Workforce shortages hurt all of us, and policies like paid leave can help close the gap.</p> <p>Supporting family is one of the best ways we can support women in the workforce, including women business owners.</p>
<p>Program should target low-income workers.</p>	<p>COVID helped shine a light on how most working people live paycheck to paycheck.</p> <p>A universal program is more cost-effective, sustainable, and ensures that as many people see the benefit of a program that millions of people need.</p> <p>We do support a program that ensures that the low wage workers who need it the most see the largest proportion of income replaced by the federal income, a program that benefits all workers</p>

## PRIVATE IS BETTER THAN PUBLIC

<p>Better option in private insurance market</p>	<p>Private insurance companies don't offer affordable products that meet the needs of small businesses or their employees. This market is even worse than health insurance.</p> <p>It is confusing for employers to purchase and it's padded with profit for insurance companies</p>
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	<p>Paid leave dollars should pay for time off to care for family and ourselves, not corporate profit.</p> <p>A public program is the best way to ensure that dollars go to benefits, not third-party profit.</p>
<p>We support concept – but not run by government</p>	<p>This kind of problem is exactly what our government was designed to solve. This is something elected officials should address instead of pushing the issue back on small businesses.</p> <p>Small businesses should be able to focus on the products and services they were set up to offer</p>
<p>Private insurer or administrator better than government creating brand-new system.</p>	<p>Small businesses want a simple administration and benefits system.</p> <p>One that is publicly-run and just as cost-effective, reliable, and relatively easy for all working people to gain access to as Social Security.</p> <p>A federally run program will do a better job at ensuring equal access to this critical benefit, especially across racial groups, and ensures that the money spent on the program funds care rather than private profits.</p>
<p><b>KEEP IT SIMPLE</b></p>	
<p>Expansions should mirror FMLA eligibility</p>	<p>The FMLA was enacted nearly 30 years ago. It only covers small businesses with over 50 employees within a 75 mile radius - eliminating the majority of small businesses and 44% of the workforce, disproportionately people of color, low-wage workers and single parents.</p> <p>We need a national paid leave program that covers employees in businesses of all sizes, the self-employed and</p>

	<p>small business owners themselves. FMLA would not reach the goal</p> <p>The FMLA also is too limited in defining the family members for whom one can provide care.</p> <p>It is time to close the gaps in FMLA and in access to paid leave so that all workers, no matter the size of their employer or the nature of their job, are covered.</p>
<p>All these state regulations are too confusing -- any federal program should be a ceiling, not a floor</p>	<p>State lawmakers and stakeholders, including small businesses, have helped to create programs that work for them.</p> <p>It would be federal government overreach to wipe out state programs that are more protective than a federal program, depriving workers and businesses of the policies their state lawmakers, advocates and businesses have agreed upon and tailored to their own circumstances.</p>