



Small Business

for

Paid Family & Medical Leave

Small business owners need a national paid family and medical leave program. With COVID-19 ongoing and Main Street still on the path to recovery, paid leave is not an extra – it's essential to the survival of our country's 30 million small businesses and the health of small business owners, employees, and customers alike.

The Families First Coronavirus Response Act's (FFCRA) pandemic-related paid leave reimbursable tax credits are an important component of small business COVID-19 relief. Federal lawmakers must also make creating a robust permanent paid family and medical leave program, like the FAMILY Act, a priority. This will make Main Street stronger in all our communities – rural, urban, and suburban; white, Black, and brown – across the country.

THE FACTS: PAID LEAVE STRENGTHENS SMALL BUSINESSES



Paid leave contributes to **reduced turnover** and **higher employee morale and loyalty**, leading to productivity increases and **significant costs savings** for small businesses.



Evaluations of existing state programs demonstrate leave programs **don't increase costs** for small businesses and **implementation is manageable**.



Paid leave laws help **level the playing field** between small businesses and large corporations, allowing small businesses to **compete on more equal footing**.



Emergency paid leave is **critical to COVID relief** for small businesses. Owners **prefer a policy on paid family/medical leave and sick days over liability protections** by a 2-to-1 margin.



Paid leave **dollars go back into the local economy**, boosting consumer demand at small businesses, as working people spend their leave to cover basics.

THE SMALL BUSINESS CASE FOR PAID LEAVE

More than ever, small businesses and their employees need a program that allows owners and workers to take time from work for health reasons – whether to care for themselves and/or their loved ones or to quarantine or isolate and avoid spreading COVID-19. Multiple studies point to the public health benefits of paid sick time protections when it comes to combating contagious diseases. Most recently, a study of the Families First Coronavirus Relief Act documented that it prevented more than 15,000 COVID-19 infections each day.

Small businesses can't afford paid leave on their own, like many bigger businesses can. Small businesses generally lack the capital and the scale to provide paid leave, even when owners want to provide that benefit. Moreover, private insurers generally do not offer affordable, adequate paid leave policies to small businesses. As a result, as of 2019 only 14 percent of workers in firms with 99 or fewer employees had access to employer-provided paid family leave, compared to 29 percent of workers in firms with 500 or more employees.

Paid Leave is a matter of racial equity for both Black- and brown business owners and their employees, especially during COVID. Workers of color have more limited access to paid leave while also being more likely to need to leave to care for family members. With higher rates of COVID-related illnesses, death, and business closures, the need for paid leave is higher than ever in Black and brown communities. A robust, permanent paid family and medical leave program is essential for supporting Black- and brown-owned businesses, their employees, and the communities they serve.



Mike Hamlar, Hamlar-Curtis Funeral Home, Richmond, VA:

We are in the death care business and saw early on that everyone – no matter their age, race, or occupation – was at risk of dying from COVID-19. Being on the frontlines, our staff were exposed, infected and had to quarantine. FFCRA was absolutely critical to helping our business through this crisis. Small businesses and our employees critically need emergency leave extended and a permanent solution so we are better prepared for the next crisis, big or small.



Small Business

for

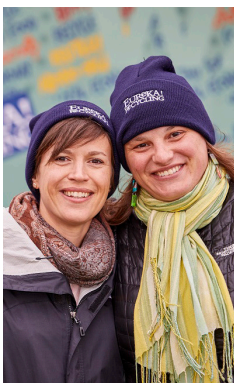
Paid Family & Medical Leave

“In September, I had to close my early education center in Washington, DC, when we had a coronavirus exposure. Having access to the Families First paid leave program meant I could continue to pay my entire staff – 18 people – even though they couldn’t work because of the public health measures we took. My employees collected their checks and I could feel confident that making the right decision to protect others wouldn’t mean my employees wouldn’t miss rent or food on the table. Passing a national paid leave program must be a priority for our elected leaders in 2021.”



Marcia Saint Hilaire-Finn, Bright Start Early Care, DC

MAIN STREET BUSINESS ARE CLAMOURING FOR PAID LEAVE



Kate Davenport, Eureka Recycling, Minneapolis, MN:

These programs are there for us if a staff member gets sick, needs to take care of family, or had challenges with child care due to COVID. I can’t think of a more vital investment right now than comprehensive paid leave.

A Main Street Alliance survey of more than 1,700 small businesses showed widespread **support for paid family and medical leave, with 64 percent** – including 78 percent of women and people of color – supporting paid family and medical leave laws. The vast majority, 79 percent, said a national social insurance program would help them the most to offer paid leave to their employees. In a 2020 survey, small business owners selected paid leave two-to-one over liability protections as a needed policy to address COVID-19. The pandemic was a wake up call. The United States can no longer afford to be one of only two countries without a paid leave policy. **Paid leave is crucial for the survival and resilience of the country’s small businesses and our economy overall.** It’s time for permanent and meaningful paid family and medical leave.

FROM EMERGENCY PAID LEAVE TO A PERMANENT PROGRAM

Federal lawmakers must create a robust permanent program, like the FAMILY Act, to help small business weather and recover from the pandemic, while helping level the playing field.

Principles for building a meaningful and comprehensive paid leave program:



Coverage is inclusive of all businesses, families and individuals and provides comprehensive benefits to meet the needs of today’s families.



Costs are responsibly shared to make the program affordable for businesses of all sizes, sustainable to fund and affordable to use by workers of all incomes.



Administration is an efficient public program with robust outreach, support and protection to provide stability to businesses and employees.

Small businesses need paid leave to build back better: Passing legislation to create a permanent national paid leave program that will be there for small businesses and working families whenever they need it is crucial to supporting small businesses to rebuild. We must never be unprepared for a crisis like this again. From welcoming a new child to care for a sick loved one, small business owners and their employees will need paid time to care again. A permanent program levels the playing field for small businesses, both in accessing this important paid time, and in recruitment and retention of employees.