

Senate Commerce Committee

Aaron Jones 271-4063

SB 67, relative to paid sick leave.

Hearing Date: March 16, 2021

Time Opened: 10:12 a.m.

Time Closed: 11:46 a.m.

Members of the Committee Present: Senators French, Gannon, Bradley, Soucy and Cavanaugh

Members of the Committee Absent : None

Bill Analysis: This bill establishes a paid sick leave program.

Sponsors:

Sen. Whitley

Sen. Perkins Kwoka

Sen. Rosenwald

Sen. Watters

Sen. Prentiss

Sen. D'Allesandro

Sen. Sherman

Sen. Soucy

Rep. McWilliams

Rep. Schultz

Rep. Wazir

Who supports the bill: Please refer to sign-in sheets

Who opposes the bill: Aubrey Freedman, David Juvet (NH BIA), Sandra Stonebanks, Kevin Daigle (NH Grocers Association), David McConville, John Elliott, Ray Chadwick, Alvin See, Alan Bershtein, Alexandra Mennella, Curtis Barry (NH Retail Lumber Association), Cindy Kudlik, Elliot Axelman, Gary Abbott (Associated General Contractors of NH), Marianne Pitkin, Val Zanchuk (Graphicast, Inc.)

Who is neutral on the bill: No one

Summary of testimony presented in support:

Senator Becky Whitley

- At least 33 percent of private sector workers and 70 percent of the lowest wage earners don't receive paid sick days.
- Workers without paid sick leave must choose between their health and their financial security.
- Given the ongoing economic and public health crisis, paid sick leave is particularly important for working women.
- In the past year, women have lost more jobs, taken on more caregiving responsibilities, and represent a majority of essential frontline workers.

- This bill is an important workforce initiative that will help New Hampshire build a future focused economy.
- Paid sick leave will reduce employee turnover, increase productivity, help to build stronger relationships between employees and employers, and reduce the spread of diseases and illnesses both in the workplace and local communities.
- Ensuring workers and their families can seek routine and early medical care will diminish both public and private health care costs.
- **Senator Gannon** wondered where small businesses would get the money to pay for paid sick leave. Also, **Senator Gannon** wondered if workers between 20 and 40 years old would be subsidizing older workers and their families.
 - **Senator Whitley** said this is a basic economic issue because sick employees aren't good for employers or other employees.
- **Senator Gannon** said that most employers negotiate with employees; however, if an employee is out of sick leave time, then they might not be able to use vacation time. **Senator Gannon** asked if the government was intervening in an area that's between employees and employers.
 - **Senator Whitley** replied that small businesses do provide leave, but at least one-third of the private sector doesn't provide it at all. As a result, workers are left in a situation where they must choose between going to work sick or lose pay.

Representative Debra Altschiller

- If paid sick days are provided, the paychecks of survivors of domestic violence, sexual assault, and stalking will be protected.
- It might be necessary for a survivor to take time off from their job to receive medical care or support services, enact a safety plan to get away from their perpetrator, or to seek legal assistance. These absences would be permitted under Section 275-I:3, Part 1, (d) of the bill.
- As a volunteer crisis center advocate, Representative Altschiller once encountered a sexual assault victim who went to work directly after receiving a forensic exam and strong prophylactic drugs. The victim went to work because they couldn't afford to take any time off and paid sick leave wasn't allowed by their employer.
- According to a National Violence Against Women survey, U.S. women lose almost 8 million days of paid work each year as a result of intimate partner violence.
- Maintaining employment is often essential for an assault survivor to maintain financial stability while they're recovering from abuse.
- No victim in New Hampshire should have to choose between a paycheck and going to the hospital for a forensic medical exam, or having to go to court to get a restraining order, or having to meet with a family violence prevention specialist who can provide lifesaving services.
- This bill wouldn't necessarily provide someone with a full day off. Instead, a victim may take a few hours just to tend to themselves and come out of crisis.

- Representative Altschiller urged the Committee to keep in mind the thousands of survivors of assault when weighing the benefits of this bill.

Representative Maria Perez

- Representative Perez shared that she's a domestic violence survivor.
- When she was being abused, she couldn't afford to take time off to address legal or custody issues, which let her abuser take advantage of the situation.
- Representative Perez said she wished she had had paid leave when she was going through this difficult situation.
- Also, Representative Perez suffers from Lyme disease and there are times when she cannot get out of bed. Unfortunately, when her husband takes time off to care for her, he has to go without pay.
- Representative Perez encouraged the Committee to adopt this bill to ensure victims can take time off and receive the help they need.
- There are temporary workers that are hired throughout the state that don't receive sick time, holidays, or any other benefits.
 - For example, Representative Perez's husband is a temporary worker and he recently got into a car accident. Despite the accident, he had to go to work because he couldn't afford going without pay.

Jonathan Weinberg

- By 2030, the New Hampshire State Plan on Aging has estimated that one-third of New Hampshire's population will be over 65. Consequently, New Hampshire must do more to attract younger workers and families.
- Since paid leave is left to an employer's discretion in New Hampshire, young workers are choosing to reside in states that provide better environments for working and raising a family.

Lidia Yen

- At the beginning of the year, Ms. Yen and her family contracted COVID-19. During that time, Ms. Yen was the only person to have paid sick leave, which allowed her to pay her family's bills.
- Ms. Yen said her mother is disabled now, but when she was employed she couldn't financially afford to take a break. If paid sick leave had been provided to her mother, Ms. Yen said that she might not be incapacitated now.
- Reiterating previous speakers, Ms. Yen said that workers shouldn't have to choose between losing money and injuring themselves in order to provide for their family.

Deborah Nelson

- Ms. Nelson hoped the Committee would work with all businesses to help them see the benefits of this legislation.
- Often times, injuries or illnesses aren't planned.

- For example, Ms. Nelson herniated a disc in her back. As a teacher, she was able to take sick leave to let the pain subside and to allow her to recover from surgery.
- Unfortunately, not every worker is able to take time off without losing pay to take care of a sick child or parent, or even recover from an illness or surgery.
- Given the pandemic, it's important for those who are working in retail, grocery stores, restaurants, or small businesses to stay home when they're contagious.
- Ms. Nelson said that the Committee should consider the greater good as well as govern for the many, not for the privileged few.

Leah Cohen

- In the food industry, a worker might lose shifts or their job if they don't show up regardless of whether they're sick or not.
- Without paid leave, people will still risk themselves and their coworkers by spreading illnesses, even after the pandemic has subsided.
- Women and low wage earners have disproportionately been affected by the pandemic. Despite this, they're still expected to take care of their families.
- Ms. Cohen said that paid family leave isn't a luxury, it's a necessity.
- In states, such as California, paid leave has benefited small businesses by creating more opportunities, increasing recruitment, and helping to maintain a strong and effective workforce.
- Ms. Cohen urged the Committee to pass this bill because it will help New Hampshire thrive.
- **Senator Gannon** said he has seen evidence that paid family leave is beneficial for small businesses, but he wondered if it should be a business's choice to decide whether this would profit them or not.
 - **Ms. Cohen** replied yes, but she would love to live in a world where every employer chose to treat their workers equitably. While New Hampshire has an ethos around letting people make their own decisions, Ms. Cohen believed that the government has a role to protect vulnerable people from corruption. From her personal experience, she had no options when she worked as a waitress, but she wished the government held her employer accountable.

Paula Garvey

- Ms. Garvey's daughter has cystic fibrosis and rheumatoid arthritis, which both require frequent hospitalizations, surgeries, and follow up visits.
- Ms. Garvey and her husband have had to balance work and taking time off to be available for their daughter when she experiences health issues. Ms. Garvey said they're privileged to both have access to paid family leave.
- This bill would reduce the pressures faced by those who have chronic health conditions.
- Parents and caregivers of children with chronic illnesses must attend frequent appointments.

- For example, Ms. Garvey's daughter requires doctor visits every three months, which are always during the work week. While telehealth has helped, difficulties still remain for many.
- Currently, Ms. Garvey's daughter works in retail and her employer has provided her with flexibility. However, given New Hampshire's attitude towards paid leave, Ms. Garvey doesn't believe her daughter will be able to stay in this state.
- **Senator French** asked if \$2,100 a year would make a difference in people's lives.
 - **Ms. Garvey** said there are a lot of families that are living paycheck to paycheck. Ms. Garvey said she was privileged because her husband has access to health insurance and paid family medical leave; however, this might not be the case for the more than 200 people that have cystic fibrosis in New Hampshire.

Lois Cote

- In the 1990s, Ms. Cote joined a small business that offered medical insurance, sick days, and a flexible schedule to allow her to attend school.
- While this happened 25 years ago, Ms. Cote said that it proved that small businesses could thrive and provide sick pay to their employees.

Molly Lunn Owen

- Last year, Ms. Owen got sick while she was 8 months pregnant. Unlike most parents in New Hampshire, she said she was lucky enough to work for an organization that offered paid leave.
- If she had gotten sick while at her previous job, she would have had no maternity days to use.
- Ms. Owen said she's a spouse of a navy reservist, and she didn't know what she'd do if she couldn't take sick time while her husband is deployed.

Dr. Atty Moriarty, on behalf of the New Hampshire Medical Society

- Dr. Moriarty said that paid sick days do help workers.
 - For example, 21 percent of those who have less than \$250 in their savings account are likely to miss a housing payment. Only 15 percent are likely to miss a payment if they have more than \$250 in their savings. It might only take one unpaid sick day for someone to lose their housing.
- As a physician, Dr. Moriarty has seen families struggle to make appointments that are necessary for their children.
- Paid time off is important for everyone, not just parents.
- As others have mentioned, those in the lowest wage quartiles don't have access to paid leave.
- The statistics, according to Dr. Moriarty, actually favor small businesses because they make money by not having to train and recruit new employees.

Raye Ellen Douville

- Mr. Douville's daughter has type 1 diabetes, which has required multiple hospital visits.
- Parents with children that have serious medical illnesses face economic stresses, particularly by having to choose between caring for their child or staying employed.
- Mr. Douville said that it shouldn't be only good employers providing workers and their families with necessary and potentially lifesaving paid leave.
- In essence, this bill would act like an insurance program by sharing risk and ensuring that people can get through tough moments in their lives.

Sheila Oranch

- In the past, Ms. Oranch lost a job for needing time off for medical appointments. At the time, there was nothing in place to protect her from losing her job or helping her to get an equivalent job upon her return to work.
- Ms. Oranch said it isn't a handout when people are provided with a safety net that can give them a boost.
- To address Senator French's earlier question, \$2,000 can have a big difference in someone's life. For example, if Ms. Oranch had that money, she wouldn't have lost her health insurance for 6 years.
- Ms. Oranch said this bill might not be perfect, but it was important for New Hampshire to have a family friendly economy.
- Even if this bill were passed, it could be tweaked later on to address any problems. Ms. Oranch urged the Committee to help keep young families productive and healthy.

Gale Taylor

- Ms. Taylor worked at IBM until she was laid off in 2009. While IBM had good benefits, those benefits weren't nearly as good as those provided to the previous generation.
- Currently, the younger generation has even fewer benefits. Ms. Taylor said her children have jobs that don't provide paid sick leave.
- As baby boomers grow older, Ms. Taylor said it will be necessary for their children to take time off from their jobs to take care of them.
- Ms. Taylor concluded that this legislation should be considered the cost of doing business in the state.

Jennifer Frizzell, New Hampshire Women's Foundation

- The pandemic has exacerbated the already disproportionate burden placed on working and lower income women.
- Recently, the New Hampshire Women's Foundation examined the disproportionate impact that the COVID-19 pandemic has had on women.

- In New Hampshire, 68 percent of women work in industries that have been deemed essential.
- Additionally, women are more likely to contract and die from COVID-19 than their male counterparts.
- Women are four times more likely to leave the workforce or have their employment disrupted by childcare, remote learning, or being forced to choose between taking care of themselves or their family's health and wellbeing.
- Along with providing childcare opportunities, this bill would make the difference in whether women could return to full employment.
- In late January 2021, according to Employment Security, employment among men has almost reached its pre-pandemic levels. In contrast, employment among women is still 2 percent lower.
- According to Ms. Frizzell, the best economic stimulus going into the next year will be women rejoining the workforce at the same level they were pre-pandemic.
- Currently, the workers who are most in need of sick leave are women between 25 and 34 years old and those between 35 and 45 years old. Women in these age categories are the most effected because it's when they have young children and/or maternity health issues.
- The Boston Federal Reserve has estimated that working mothers are at risk of being set back by at least a decade in their careers as a result of their caregiving responsibilities.
- In New Hampshire, about 70 percent of women between 25 and 34 years old are reevaluating their career goals because the economy and caregiving isn't well built here.
- Ms. Frizzell concluded that the question that should be asked is what role does the government have in addressing chronic and persistent disparities in the labor market that negatively affect half of the population.

Cody Jacobsen, Director of Campaign Operations, Campaign for a Family Friendly Economy

- This bill would ensure that people who work and rely on their income to pay bills can make ends meet if they're out of work for a day, a few days, or more.
- Currently, part time and lower wage workers don't have equal access to paid sick leave.
- Those who don't have access to paid sick leave are most likely to be over the age of 20 (88 percent), make less than \$14 an hour, have children (33 percent), earn at least half of their family's income, and twice as likely to report to work when they're ill.
- For the average family, 3 unpaid days is equal to the cost of groceries for an entire month. If families cannot afford groceries, then they're more likely to turn to government for assistance.

- Mr. Jacobsen said that a lot of states with sick leave policies have helped drive down contagious illnesses. He said that everyone gets sick, and they deserve the right to get better.

Ted Jankowski

- In Massachusetts, after the implementation of paid sick leave, Mr. Jankowski heard from at least two lobbyists that businesses saved money because they didn't have to retrain people.
- Mr. Jankowski said frontline workers include more than just medical workers.
- A majority of those who have been working throughout the pandemic, such as workers in grocery stores, don't get paid for sick days.
- This bill would provide a basic right that all neighboring states provide to their workers.

Representative Manny Espitia

- Representative Espitia said this bill is an urgent need for communities across the state.
- Some workers have had to make the decision to go to work or not pay their rent, which has raised concerns over potential homelessness.
- There's both a physical and mental aspect to paid sick leave. Representative Espitia said that mental health is being treated more seriously and the stigma around taking sick time to address it has decreased.
- As mentioned by previous speakers, \$2,000 is a significant amount of money, especially for those who are living paycheck to paycheck.

Martin Toe

- Mr. Toe said that sick leave is critical, and lawmakers must protect the people under their jurisdiction.
- Mr. Toe knows many people who have committed suicide in his community because there was no one around to help them.
- Healthier people are more productive and provide better services.
- If people aren't in a healthy space, then it can't be expected that they will spend money.

Asma Elhuni, Movement Politics Director, Rights & Democracy

- As previously mentioned, a majority of vital workers don't have access to paid sick leave.
- Consequently, these workers are going to work, despite having contagious illnesses, which effects everyone in their community.
- This bill is in the interest of small businesses to prevent workers from getting each other sick. As more workers are sick, the smaller the workforce will become in that one business.

- Ms. Elhuni urged the Committee to think of those who are surviving paycheck to paycheck who cannot take sick leave without being left unable to afford groceries, or health care expenses, or transportation.

Nathaniel Nichols

- Mr. Nichols said that allowing people to stay home when they're contagious will be better for New Hampshire's economy in the long run.

MK Kilcoyne

- MK has always worked in the food industry where paid leave isn't provided.
- Once one person got sick in a kitchen, it was often the case that the entire crew would get sick.
- Typically, someone in the culinary industry must work full time for 6 months to a year before they're eligible for health insurance.
- MK has a compromised immune system due to cancer, which has resulted in illnesses.
- If paid sick leave were available, MK could have taken the time to get better and healthier, while remaining employed.

Ian Staubs

- Mr. Staubs asked the Committee to care about the people who are in need in New Hampshire.

Summary of testimony presented in opposition:

David Juvet, Senior Vice President, New Hampshire Business & Industry Association

- Employers already understand the importance of providing paid sick time.
- Many businesses refer to paid sick time as personal time because there are a lot of reasons people need to take time away from work.
- Employers will offer personal time to their employees if they have the financial ability to. However, this bill would treat all employers as financially solvent and able to offer this benefit.
- Mr. Juvet asked the Committee to resist the temptation to tell private sector employers what benefits they should or shouldn't provide to their employees, especially at a time when the labor market is tight.
- Mr. Juvet reiterated that employers are in the best position to develop benefits that attract and retain employees.
- **Senator French** asked if this leave would be in addition to the personal time offered by some companies.
 - **Mr. Juvet** responded that he wasn't sure, but he thought if a company could demonstrate their benefit was more than what the legislation provided for, then their benefit would be sufficient.

- **Senator Whitley** said that a statutory minimum is established on page 6, line 21. Nothing in that section would prohibit or discourage an employer from exceeding the established requirement.
- **Senator French** asked what the minimum number of hours per year would be.
 - **Senator Whitley** said that paid sick leave accrual is discussed on page 2, line 14.

Aubrey Freedman

- This bill is anti-small business because it would mandate smaller companies to provide a benefit that they can't afford.
- Unlike smaller businesses, larger companies have more employees that can provide coverage when someone is sick.
- If passed, this bill would add an additional expense to small businesses at a time when they're recovering from the pandemic.
- If small businesses are forced to provide this benefit, then hours of operation might be reduced, employee hours might be cut, employees might be laid off, or the business might be closed permanently.
- From a public health perspective, Mr. Freedman said it made sense that businesses wouldn't want sick people spreading germs; however, it didn't make sense to treat everyone the same.
 - For example, there are employees who can take time off because they aren't forced to provide for their family.
 - Also, some employees work remotely, so if they're sick, they can just work from their computers at home.
- While not ideal, Mr. Freedman said that having a job without sick leave benefits was better than no job at all. If small businesses were to close, then unemployment will increase, which isn't good for the public or employers.

Neutral Information Presented: None