

#### PRESS RELEASE

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# New Report: Proposals to "Repeal and Replace" Paid Family Leave in DC Would Weaken the Law's Strengths

# Workers and small businesses at risk in proposed roll backs, report finds

Washington, D.C.- Today, the DC Fiscal Policy Institute released a report detailing the negative impacts that the DC Council's proposed paid leave alternatives would have on DC's workers and small businesses. The report comes a week before the Council is set to hold a hearing on the fate of DC's Universal Paid Leave Act (UPLA). Alternative proposals include an employer mandate version and a hybrid version, both of which give big corporations more room to limit & deny workers their leave benefits.

## Report findings cite that:

- UPLA's social insurance model, as it currently exists, will have low administrative costs, limited burden on employers, and a transparent process for workers;
- An employer mandate hurts workers by giving employers financial incentive to deny claims;
- An employer mandate is bad for many businesses, as it forces employers to pay for workers' benefits out of pocket. For a worker making \$500 a week who takes 6 weeks of leave, an employer would pay \$2,700 under the mandate, but just \$161 under UPLA; and
- An employer mandate raises administrative costs, and forces businesses to cover them.

**Read the Report**: <a href="https://www.dcfpi.org/all/universal-paid-leave-act-makes-sense-workers-employers-taxpayers/">https://www.dcfpi.org/all/universal-paid-leave-act-makes-sense-workers-employers-taxpayers/</a>

"The findings in our study show that the proposed alternatives will undermine the strengths of the current law," said llana Boivie of DC Fiscal Policy Institute. "An employer mandate would not only weaken the law's current protections for workers; it would also likely cost more to implement than a government-run program."

"We are in the midst of a caregiving crisis in DC," said Valerie Ervin, Regional Director, Working Families. "Every day the DC Council delays our paid family leave and every attempt to weaken our protections rips District workers from their families by forcing us to miss the most important moments in our lives -- caring for aging parents, sick kids, and new babies. All of that will be lost."

## The Universal Paid Leave Act, which was signed into law earlier this year:

- Allows up to 8 weeks of paid leave to be with a new baby, 6 weeks to care for an ill relative, and 2 weeks to address one's own health need;
- Uses a neutral third-party arbiter to decide whether a claim for benefits should be approved;
- Offers a predictable tax to employers; and
- Has low administrative costs and places virtually no administrative burden on employers.

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The DC Paid Family Leave Campaign represents a diverse community of individuals, families, local businesses, community institutions, service providers, and advocacy organizations, working to establish a paid family and medical leave program for everyone living or working in the District.

The DC Fiscal Policy Institute is a nonprofit research organization that promotes opportunity and widespread prosperity for all residents of the District of Columbia through thoughtful policy solutions.

**DC Working Families** is a grassroots political organization that fights for economic and racial justice, recruits, trains and elects the next generation of progressive leaders to office and wins meaningful change to improve the lives of everyday Americans.

**Jews United for Justice** leads Jews from the Greater Washington area and Baltimore to act on shared Jewish values by pursuing justice and equality in our local community.