

Position Statement Supporting House Bill 968

Given before the House Economic Matters Committee

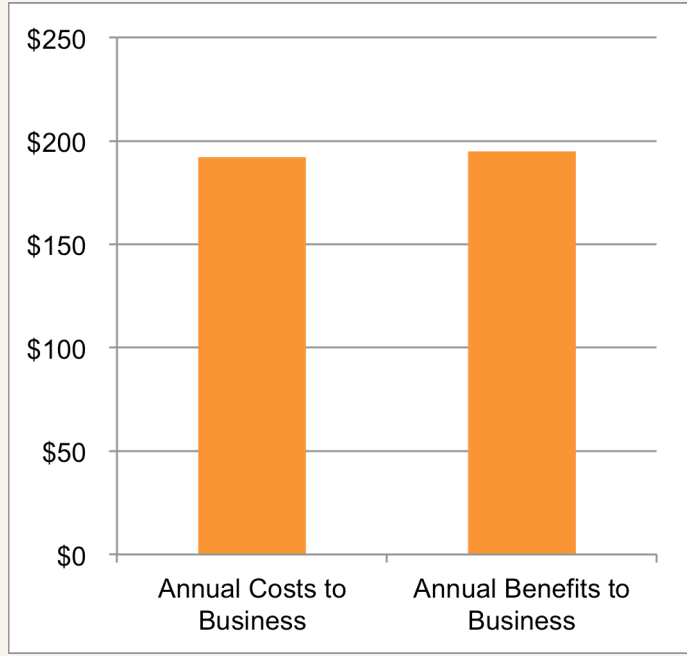
Earned sick and safe leave is good for Maryland’s workers and their employers, as well as the health and economy of the state

Giving Maryland’s working men and women the opportunity to earn paid sick leave and “safe leave” to deal with issues arising from domestic violence is a win-win for employees and employers, and would strengthen the state’s economy overall. Workers could recover from illnesses or tend to the health of family members without forgoing wages, at no net cost to employers. Earned safe leave would protect women and children and provide them with the necessary time off for court dates or to deal with other issues related to domestic violence. This bill would benefit Maryland’s economy, reduce health care costs, and prevent working families from having to choose between their health and their job. For these reasons, the Maryland Center on Economic Policy supports House Bill 968.

House Bill 968 would have a broad impact on Maryland workers, as 709,400 private-sector workers and 57,800 public employees lacked earned sick days in 2013.¹ Further, 54 percent of these workers lack paid leave benefits of any kind. With earned sick days, these workers will not have to delay or forgo care for themselves or their

BENEFITS TO BUSINESSES FOR PROVIDING EARNED SICK LEAVE OUTWEIGH THE COSTS

Estimated Annual Costs and Benefits for Maryland Businesses, in millions



Source: Institute for Women’s Policy Research

¹ Institute for Women’s Policy Research, “Valuing Good Health in Maryland,” The Costs and Benefits of Earned Sick Days, Briefing Paper #B311, February 2013.

families. As a result, they will save an estimated \$64 million per year in costs for health care services.² Families will not have to lose wages or reduce their savings to treat their illness or those of family members, or worse, quit their jobs. A quarter of women are let go from their jobs or have to quit after they give birth to a child because they are unable to take paid leave.³

Providing earned sick leave will also benefit Maryland's economy as a whole. Emergency room visits will decline, saving taxpayers as much as \$18 million.⁴ Workers who are sick or have sick family members will be able to consult their family physician during business hours, instead of having to visit the ER after-hours or as the illness becomes more urgent.

Earned sick leave is also an important tool to improve public health, since it enables employees to take care of their health or the health of their children in a timely manner. Doing so protects coworkers and customers from exposure to illness. Workers without earned sick leave are 1.5 times more likely to go to work with an illness than those with this benefit.⁵ Maryland children will be more likely to receive the health care they need because their parents will be able to take time off from work to take them to the doctor. Students or those in daycare will also benefit from not being exposed to sick peers.

These benefits will come at no net cost for employers. While the upfront cost is estimated to be a very low 24 cents per hour, or \$8.95 per week, the estimated benefits that businesses will see from providing earned sick days is 25 cents per hour per employee, completely offsetting the cost.⁶ That's because worker productivity will increase as sickness in the workplace goes down, and the increased employee benefits will mean less turnover among workers.

Though states and cities have more experience implementing paid sick leave than safe leave, providing both to employees has yielded similar results to the numerous examples of successful paid sick leave policies. When Seattle implemented paid sick and safe leave in 2012, the subsequent economic effects were similar to cities and states that have implemented paid sick leave.⁷

Maryland should join other states and cities in providing earned sick and safe leave to its workers. The experiences of Connecticut and Rhode Island, as well as cities such as New York, San Francisco, Portland, Oregon, Jersey City, and Washington, D.C., show that earned sick leave requirements can be part of a vibrant, growing economy.

For these reasons the Maryland Center on Economic Policy respectfully requests that the House Economic Matters Committee give a favorable report to House Bill 968.

² Institute for Women's Policy Research, 2013.

³ Laughlin, Lynda. "Maternity Leave and Employment Patterns for First-time Mothers, 1961-2008," United States Census Bureau, October 2011, <http://www.census.gov/prod/2011pubs/p70-128.pdf>

⁴ Institute for Women's Policy Research, 2013.

⁵ National Partnership for Women and Families, "The Time for Paid Sick Days Is Now: Survey Shows Overwhelming Public Support for a Paid Sick Days Workplace Standard" (Washington: National Partnership for Women and Families, 2010), available at http://paysickdays.nationalpartnership.org/site/DocServer/Microsoft_Word_-_The_Public_Strong-ly_Supports_Paid_Sick_.pdf?docID=6742.

⁶ Institute for Women's Policy Research, 2013.

⁷ The Main Street Alliance of Washington, "Paid Sick Days and the Seattle Economy: Job Growth and Business Formation at the One-year Anniversary of Seattle's Paid Sick and Safe Leave Law," September 2013, http://www.seattle.gov/civilrights/documents/MainSt_AlliancePSST_Yr-Report-Final.pdf