Nationwide approach to paid leave is needed, comment letters say

The COVID-19 pandemic has highlighted the need for a uniform, nationwide approach to paid leave and has put a spotlight on the patchwork of state and local requirements that arise in the absence of a federal solution, according to a comment letter to the Department of Labor from Mercer. In July, the DOL issued a request for information on paid leave. The DOL said the information will help “identify promising practices related to eligibility requirements, related costs, and administrative models of existing paid leave programs.”

Mercer noted that employers, particularly multi-jurisdiction employers, are struggling in a time of crisis to understand the compliance requirements of numerous different laws, while trying to support their workforce in a consistent and meaningful way. For instance, the comment letter noted that while the Families First Coronavirus Response Act developed a nationwide emergency paid leave program, many state and local government thought it did not go far enough. “As a result, at least 10 states and over 15 municipal governments have passed emergency paid leave requirements or expanded current paid family and medical leave programs or accrued paid sick leave mandates,” Mercer noted.

The comments emphasize that a nationwide voluntary paid family and medical leave compliance standard would improve the current patchwork landscape and lead to a more consistent approach. Such a compliance option could increase the prevalence and value of paid leave benefits, reduce costs, and enhance employees’ experience.

“A voluntary federal standard would be welcome relief for employers that have been working to address their employees’ need for paid leave benefits, and for those that have increased resources devoted to handling state and local leave administration,” Mercer wrote. “Absent a federal solution or improved consistency among state mandates, Mercer expects employers will continue to resist future state mandates as cost and complexity threatens to outpace value.”

American Benefits Council. The American Benefits Council also submitted a comment letter to the DOL on paid leave. Like Mercer, the Council recognizes the importance of paid leave benefits, and most member companies provide some sort of paid leave to their workforces.

The American Benefits Council supports federal legislation to expand access to paid leave, consistent with the following principles, among others:

- Employers must have the ability to treat similarly situation workers equitably, wherever they work.
- Federal standards for paid leave programs must ensure that employers operating in more than one jurisdiction are not subject to the cost and administrative burden of complying with various state or local paid leave requirements that may be inconsistent or even contradictory.
- The federal standards for national employers must be reasonable, affordable, and administrable.
- Employers that adopt and comply with federal paid leave standards must be deemed to be in compliance with all state or local paid leave requirements.
- Employers should have flexibility to design and administer innovative paid leave benefits since what is best suited for one company’s workforce or industry may not be best suited for another.

SOURCE: www.mercer.com; www.americanbenefitscouncil.org