Paid Parental Leave - Panel Discussion

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[00:00:36] Welcome, everyone. I want to welcome you to the library today. My name is Jay Lyman. I'm a librarian here at Seattle Public Library. I head up a program called Library to Business, which is a program that the library has with funding from the Seattle Public Library Foundation to do programming for four people who are starting or running small businesses to help them succeed in business. One of my roles is to help people with information for your small business. So I help people do market research. The library buys market research tools. And so if you're interested in any of that, I'm not going to talk about that today because we have a fantastic program. But see me afterwards and we can definitely talk about that, too. But I'm going to turn it over to Melissa here, who is going to introduce us to our program. And I just want to welcome you and thank you for coming.

[00:01:31] Ok. Thank you so much, Jay. I'm Melissa Peterman from Town Squared, the Seattle city manager. And today we are doing a panel on the paid parental leave for Seattle small businesses. So Town Square is a free private network for small businesses in Seattle Social Network. And yet to be verified to be a small business on there. So I am going to quickly introduce the panelists and then we'll talk about some questions and then we'll have some time for some questions from the audience as well. OK. So our speakers today, we have Marilyn Watkins. She's from the Economic Opportunity Institute. We have Rich Fox who is the president of the Seattle Restaurant Alliance. And he can also fill you in on his other titles. And then we have Maggie Humphries, who is the state president of Moms Raising.org. And then we also have Danielle Hulton from Eda's Technical Books and Cafe. Thank you so much for joining us. Does anybody want to say anything before I jump into questions?

[00:02:40] Hi, I'm Nancy. I work for Parent Map and we've written about paid family leave again for some time.

[00:02:46] We wrote about it last May for a feature and I write a column for Themes. We're gonna write about it again and again and again.
I'm Leah. I work for N.K. Architects in Pioneer Square. We're a small business, just about 40 people. And I also am a wellness coach. And in general, I believe in wellness for everyone. And my goal at work is to learn as much as possible to make the organization well.

My name is Maddie Are Vold and I work for a local startup called Leaf Logic, and we sell subscriptions to businesses who then enable their employees to have access to our application where they can find out all of the benefits, statutory and company benefits that they have to help them plan their leave. And we walk them through that planning process.

So we're really excited. Part of this conversation, I'm Emma Mayberry.

Good morning. I am a director of gender equity initiatives at the Seattle Metro Chamber of Commerce, where I run our employer engagement program for best practices toward closing the wage gap called 100 percent talent.

Excellent. Thank you so much. All right. All right. So the first question, I'm asking it to Marilyn. So back in 2007, a paid family leave insurance was voted into law. The intention was that the parental leave referred to as family leave insurance, would operate similarly to workers compensation insurance. However, this law was never actually implemented due to economic downturn the following year, 2008. I'm asking, how will new policies being proposed be similar or different than this one that was never implemented?

Well, thank you very much. And to expand a little bit on who I am and what I do, I work for a small nonprofit policy organization that does both research around issues that affect working families across the state.

And we also then work in coalition with other organizations to actually try to enact policy change that would actually help make the economy work better for everyone. And we do that by talking with lots and lots of people. And I'm really excited about this opportunity to talk with you today.

And I've been for quite a few years chairing the Washington Working Family Coalition, which has been working on paid leave legislation, mostly at the state level, for quite a number of years, including back in 2007 when we thought we were going to pass something. And we had proposed to the legislature at that time a much more complete program that would cover not only parental leave, but a fuller kind of family leave. So you could use it for your aging parent or other kinds of family care issues and also for your own serious health condition, cover basically the same conditions that the FMLA covers, if you're familiar with that federal Family Medical Leave Act that apply.

It provides unpaid leave for new parents, for people caring for a family member with a serious health condition or for their own serious health condition.

And since that time, since we didn't get that actually funded and implemented with the recession, we've been really, really studying what's been going on in the four states that already have these programs up and running. California, New Jersey, Rhode Island and New York already have...
programs in place. So we don't have to go to Sweden or even to Canada to get models that we know are going to work. And these programs and these other states work kind of like workers compensation or unemployment insurance. You know, everyone's in the pool covers the smallest employers to the largest employers, the highest wage employers to the lowest wage employees. So everybody's in the pool and payroll premiums go into the trust fund when people are working. And then when someone has a qualifying condition, they're being paid out of that trust fund. Right. And so that means their employer doesn't have to be paying them their wages when they're out for several weeks or even several months at a time. So this is different from, say, sick leave, which is great for those incidental things that happen year after year. If you need to go to the doctor, you need to take your mom to the doctor. Your kid is running a fever. You get the flu. It's great to have a few days of sick leave for that kind of stuff. But every now and then in most people's working lives, they're going to need to have several weeks or even several months off for that new baby. They get cancer. Their mom has a stroke or needs, you know, breaks her hip or something. Those kinds of situations where you're going to need to take a longer period of time off being able to draw out of that fund. And so our coalition is really excited.

[00:07:30] I mean, we've not only been researching and studying what's really working well in those states but we can tweak and even make better in creating a new policy here in Washington State. But I think through that time also we've really seen a change where people are really seeing this as a public policy issue. Right. It's not my own personal problem that I gee, I'm pregnant and I've suddenly realized that there's no maternity leave in the United States of America. People are no longer seeing it as their personal problem necessarily, but something that we can actually solve together as a community. Because if you work at a restaurant or you work at a daycare center, your baby is just as deserving as a good, solid start in life, as if you are a software developer. Right. Or, you know, your mom is just as deserving of having her family members around her in her last weeks. Right. So, we're really excited about the policy we're putting together. We're still tweaking the details of it. The state legislative session starts the second week of January on January 9th. And that week we'll be introducing a bill. We have our sponsors who are really excited about this policy and we're working very closely with them on getting all of the details tweaked. And so we'd love to have as much input from actual small business owners as we're developing it as we can, because we know that for this to really work effectively and to work well for Washington's economy and all of our communities, that it really needs to be something that is going to work well in your businesses as well as, you know in the largest businesses.

[00:09:06] And I can go on and on and on and on about this, but maybe I'll stop there for now.

[00:09:11] We can talk more.

[00:09:13] Thank you so much, Marilyn. OK. This next question is too rich. And Danielle, you both have told me that you have a paid parental leave for your staff. Could you tell us more about what you offer and why you think it's good for your business? And also, does it include family leave time as well?
Sure. Hi again, I'm Danielle Holtan. I own Ada's technical books and cafe. And yes, right now we have a paid parental leave policy at our cafe. We do not cover family leave right now. And it covers eight weeks of full pay for basically we're small enough that we don't have to follow the FMLA, but we do and we do it under those same qualifications. So if you're full time and you've worked for us for a year and these the qualifying events that trigger FMLA for parental leave, we have those same qualifying events for both men and women. And I guess it's for all genders. And it's like I said, eight weeks paid, twelve weeks of protected leave. So, we've offered it for about two years and in that amount of time, we've had three people take advantage of it and everybody has taken twelve weeks. So, they've taken an optional four weeks of either their vacation because we also provide vacation time, so they either supplement with vacation or just unpaid leave.

And then also why you think it's good for your business?

Oh, so it's good for our business. I mean, the main reason why I do it is I feel very, I myself am a new mother.

And I when I was pregnant, it suddenly occurred to me, I think of Marilyn's joke. But it did suddenly occur to me that I, and my background is in engineering. So my husband has a pretty decent paid parental leave at his work. And most of my colleagues from school have paid parental leave. And so it was kind of shocking to me to realize, like, oh, wait a minute, you know, of course I could take leave. I own the business. I can I can leave anytime I want. Maybe, kind of, or maybe I can but my staff can't. And that's really important to me. That's a very big social issue. So that's the main reason why I did it, is I feel very strongly that my staff should have a work life balance, that people should be able to work at it as their career, and not just as we have plenty of people that want it to be a passing thing that they do while they're in school or while they're doing other things. And that's great. But we also have lots of people that are really passionate about the book industry or about coffee. And and I want them to be able to have a career in the same way that I would be able to If I were still an engineer.

And so the main reason the benefit for me is that I'm able to care for my staff and let them lead arguably normal lives, I guess.

So besides being the president, Seattle Restaurant Lights, I'm also part owner of a few restaurants, a couple on Capitol Hill called Quito's and Ryan House. And we started our parental leave policy a year ago almost exactly. And we currently do, this is obviously new thing for us. We started out our policy is six weeks right now. One of the things that we did that was unique, I think to us is that we cover a large percentage of the tip income that our employees make, because as a lifelong server and bartender, I know that's where most of our money comes from. So it seemed almost disingenuous to just cover a wage and not add that into it. So this was up to this moment, I don't know of another restaurant that's doing that. Kind of looked up other parental leave policies in our industry and had't seen that yet. But we do six weeks, one year qualification. We actually didn't limit it to full time, again, because of our hourly employees. A lot of them don't work hat would be called full time. And so we expanded that out to any number of hours and then. So here's the second
part of the question. So with the we've had three people take advantage of it. Interestingly, two of them have been actually the dads that took a few weeks off. One took three weeks off. One took six weeks off. And another one was a mom who took the full six weeks off. It's been amazing. I cannot be a stronger advocate for this. The psychological impact, the relief. I think that our employees felt, knowing that they had this support is priceless. And so that's really what our primary motivation is and I think it just hopes to continue to make our our culture of our restaurant stronger.


[00:14:00] Ok, moving on. Maggie, can you tell us a little bit more about moms rising? And can you also tell us how your organization is advocating for paid parental leave with the small business owner in mind? Absolutely.

[00:14:13] So as much as I love women presidents, I am not the state president of Moms, Right?

[00:14:18] I am the state director. But thank you for the corrections.

[00:14:22] Wanted to clarify, so Moms Rising is a million member organization that was founded right here in Washington about 10 years ago, exactly. We just celebrated and we have about 40,000 members here in our state. And it really started as an organization between moms in living rooms. And those few moms became hundreds and thousands. And now we have members in all 50 states. So our work is really focused on passing public policies that boost Moms, that boost families and that boost our Main Street businesses. And to that end, we've worked on paid family and parental leave policies across the country. We're really excited to have policies passed in New York and Rhode Island, in California and in New Jersey. But just in the last two years, two, we've seen a number of local municipalities and cities pass strong ordinances for their own employees, including the city of Seattle and King County. And so this momentum that we're seeing here in Washington is definitely felt in other parts of the country. Moms Rising is working on parental leave policies and family leave policies in D.C., Hawaii and Massachusetts right now.

[00:15:34] So with our work, we know that, as Marilyn said, and it's already been echoed, that a strong policy has to work for everyone and that includes families, families and businesses. And so we work closely with our members who include a number of small business owners and listen to them. There are our number one sounding board. But we also know it's important to go out into the community and to craft solutions collaboratively. So we actually, for the past several months have been going around the state to Yakima, Walla Walla, Spokane, Vancouver, Puyallup Washington. We're going to be having two events in Seattle next month to meet with community members, including small business owners and business leaders, to hear their feedback. How is this working in their businesses right now? What are their biggest challenges, whether you know, current administrative rules that they already comply by that this could easily go coincide with would make it easiest in their day to day. So we really take an approach to bring everyone along in the movement and have had a great partner in Maryland for years.
But I also wanted to just say that this is a problem that most, most definitely and has the hardest, harshest impacts on on low-Wage Workers. But it's really a universal problem. We just got a story from a woman here in Seattle yesterday who works for a very well-known cancer research institute. And she's pregnant but she's also a new employee. So she hasn't worked there for over a year.

and she just found out that she will have three weeks of her PTO time to take and then she will lose her health insurance and she will have none if she wants to continue to take unpaid leave, she'll have no job protection. So this is a deeply rooted problem in all sectors of our economy. And we know, I mean and we're also looking at losing top talent to our local businesses. So we're really excited to be here in Seattle and Washington State to work towards a solution that can work for everyone.

Thank you so much. I'm going to turn a little bit and go towards the small business side of things, but real quick, is there any questions real fast? While we're still kind of going?

So who are the sponsors for the bill? So our sponsor in the House will be Jean Robinson, who is from Everett and she's a public health professional. She actually works just up the street at the King County Public Health Department. But she represents the Everett area. She's really great. She's a mom herself and is a really great advocate for this.

The whole part of this, you know, the whole policy from that public health perspective. And then Senator Karen Kaiser from Des Moines is our Senate sponsor on this.

and she's been a sponsor of legislation with us for for many, many years.

I think she's a communications professional by training.

Thank you. So there's a lot of anxiety with small businesses thinking about paid parental leave and how they're going to run their businesses and be able to afford the extra benefits. So I want to ask Rich and Danielle, would having a mandatory paid family leave cause a small business to remove other benefits that they're currently offering their employees or cause an employer to change their hiring policies? In your opinion.

I would hate to speak on behalf of all business owners, but I think that especially right now in this city, I do know that small business owners in general speak specifically just to restaurant owners. We are, I don't want to say confronted, but obviously we have additional costs that we're taking on every year with the way that the minimum wage plan is grows every year. Also now, the new overtime rules hit restaurants especially hard, basically because we do have a lot of salaried employees that were right around that threshold. So that's a new challenge. The reality is that I think it all comes down to the way in which it's implemented. It's one of the reasons why I think this type of legislation at the state level is so important as opposed to at the city level, because I think at the city level, the ways that they fund this tends to be much more direct and the way that they impact
businesses. When you look at, you know even just this cost analysis in this sheet of paper I'm just reading in the FAQ when you look at the cost of training new employees and all of that sort of stuff, when you can measure those things, the economic effect, and that's even beyond just sort of the maybe the harder to measure cultural aesthetic that you create your business in that security, I think would be very easy to rationalize it. When it comes through in this way, I think the thing that probably local Seattle businesses might be more tentative about it again, how Seattle's city council self-government might handle this situation differently than what's being talked about here.

[00:20:41] Yeah, I'll echo pretty much exactly what Rich said. You know, I can't speak for all business owners either, but definitely and the people that I've spoken to I think there's a mixed opinion. I mean, definitely in Seattle, we are. And again, I represent a very similar service industry, but we are being hit very hard by a lot of other things coming through and the size of my business it is both a benefit and a curse a little bit in terms of like, we have less than 50 employees.

[00:21:13] and so, which sneaks us under some in some ways but also it means like our minimum wage is raising really steeply every year and so I understand.

[00:21:24] but I've heard a lot of people say that they would get rid of some benefits in order to afford this but I also, it also depends on how it's implemented. It really depends a lot on how it's implemented and I agree that if it follows this, it seems like that would, like what's on this piece of paper that it would be a, I don't want to say a minimum impact, but it would at least it be helpful.

[00:21:50] I guess. Just to add that, as we've spoken to, we have between our two restaurants, I think we have one hundred and sixty employees in any year between the two we've had three people take advantage of it. She's had in two years, she had one. So I think that, oh three, Oh sorry! And so I think that.

[00:22:13] You know, even businesses that say, well, I'm going to have to get rid of something else, I think when you actually go through it and realize what a small financial impact it is compared to everything else I think there are far bigger financial challenges that we deal with.

[00:22:24] And cause their employer to change their hiring policies.

[00:22:28] I would hope not. I mean, I think that you're getting some really dangerous area if they start, you know, I can't even imagine if they're looking at fertility rates or birth rates or in the average age of a woman that chooses to be. I mean, like all of those things, I would think, I think that's horrifying.

[00:22:43] Well, just one other quick thing.

[00:22:46] I have heard, depending on how it's implemented, if there's a very high cost to employer I have heard we are not in this park at all. But I've heard a couple of people say that people that hire what they consider to be high risk. So people that are maybe ex-cons or people that English isn't their
first language or they're new to the country. I've heard people say that if the cost of hiring those employees and training them and takes a longer time to train some people, that they may be less likely to do it. But again, like so these are concerns I've heard from the business community and I feel like at least recently, I'm trying really hard to look outside of my bubble because I don't see lots in the last couple of weeks like listen to true opposition to things, because in my bubble I see only only benefits and I agree. I sure hope nobody would change their hiring practices. But I've heard some people can like are worried about it just because the cost of hiring an employee in Seattle specifically is just rising and rising and rising. And if the costs for training that employee gets to a point where it doesn't make sense financially I've heard some concerns in that way.

And, you know, like I said, we've really looked at the research coming from the states that already have these programs in place and all of these states have had for decades a temporary disability insurance program in place that covered all of their employees.

You know, everyone employed in the state was covered by temporary disability insurance for years. And the states that have moved in the last decade and a half since 2004 was California was the first to actually implement a paid family leave in addition to the disability leave. But that disability leave was already covering pregnancy and childbirth related disability and has been in those states. So we have a lot of data from a lot of years from these states and have been really able to look at what's going on. One of the things that is happening is that we know that women in these states actually are more likely to be employed a year following childbirth and are, and are making higher wages. I mean, this is a great gender equity issue. African-American women are taking equal length of leave now with white women, which was not the case at all before. Which means in terms of, you know really allowing every child to have the best opportunity to succeed in life where we're helping with that equity issue as well. Fathers are taking longer leaves as well, which sets up a lifelong bond with that child, which means that child is going to have better social, emotional health and development. The family will be more economically stable. I mean, there's all sorts of benefits that go along with to the whole community that come back and impact the businesses in really positive ways as well.

And one of the things that I think we've really in this has been through talking with businesses large and small and talking with, you know, some of our corporations here that have businesses that, you know, operate in California as well and sort of, you know, how do you work it in California with the, you know, how does it work for you? And we've heard from some of our businesses here that while we top off California benefits. So these are structured to not necessarily be full wage replacement. I think we would do our program here in Washington so that it's progressive so that a minimum wage worker would get about 90 percent of their wage replaced. And someone who's making about fifty thousand a year would get maybe like two thirds of their wage replaced and someone at one hundred thousand a year would make,would get about half of their wage replaced. But some of our bigger employers here are topping off that difference for their employees. So if you had your you know, you had your plan here, you could use that to sort of supplement people's wages. You could use it to, you know, you cover their tips when the state programs just covering their base wage. It could be used to extend that period of leave. You know, there's all sorts of ways in which
companies would have the flexibility just like the fact that we have Social Security doesn't mean that a lot of individual companies don't still offer retirement plans to their own employees. It can be used as an additional recruitment tool, you know, there's all sorts of ways that employers can sort of coordinate their own benefits that they choose to offer, check complement what the state program is. And we really do intend it to be. We're pretty confident about our cost estimates that we have here that for a quarter of a percentage of payroll paid each by the employer and the employees so it totals about a half a percentage of payroll, that that would cover a really nice, robust program with twelve to 26 weeks of leave, cover the administrative costs to the state as well.

[00:27:26] and, you know we're pretty confident of our usage numbers because we have these other states we can look to to see what's happening in those states.

[00:27:33] Ok, thank you so much. OK. This one's to everyone. A related concern that any future legislation might address is the difference between parental and family leave. Combining all the types of leave into one category is generally referred to as family leave. Parental leave however is related to a discrete, easy to document event in an employee's life, the addition of a child to a household, for example, the other types of qualifying events may relate to chronic medical conditions of varying severity and these may be difficult to document and accommodate. Should paid parental leave and family leave generally covered under sick leave laws, be considered separately?


[00:28:17] So paid family leave are paid parental leave is an excellent tool for boosting gender equity, it's an excellent tool for boosting social emotional development of children. It's an excellent tool for ensuring our family is having a basic level of economic security at predictable times in their lives. Paid family leave does exactly the same. We know two thirds of unpaid caregivers in our families are women so these are women who are taking care not just of their own parents, but are even women are more likely to take care of their spouses parents if they're in a heterosexual relationship. So they're taking care of our family members as they're aging.

[00:28:55] We also know we have you know, the silver tsunami army coming at us, which is a term used to refer to the large number of folks who are soon to retire and aging very rapidly.

[00:29:12] So a comprehensive policy would really address these very predictable booms and busts in families economic situations. And we also add at the level of basic human dignity, as Marilyn brought up earlier, that time to care for parents is so critical for employees. And if we want to address the social, emotional well-being of children as well, we want their parents to be able to have the space to be healthy and to be able to do the work that they need to do within their family so they can show up to work and do the work they need to do for their employers as well. And another addition to that, our families are changing a bit. So something we're looking at in the Washington state law is changing some of the federal definitions of family members to make it more inclusive of taking care of siblings, taking care of family by affinity which is a big issue for military families here in Washington.
state. So a comfort if we are going to make all this progress, we want to see a solution that can really address the variety of situations that are workers and families experience and especially mothers.

[00:30:25] And I guess I'll say from a small business standpoint, it is definitely a complicated question, but I would advocate for full family leave for as opposed to parental leave for a couple of reasons. One, I mean, the reason why we don't provide family leave is that parental leave itself is very expensive and for our business and we would love some help. I mean, I really like the idea of an insurance program or a policy where everybody is participating. And kind of back to what I said at the very beginning. I mean, I think everybody deserves a work life balance and a high quality of life, no matter where they're working or how much they're getting paid and minimum wage workers in particular really can't afford to take much time off of work. And so I would add an unpredictable life circumstance or are unpredictable, which makes it very difficult and a complicated issue for businesses. I mean, when somebody is gone, I have to replace them. I can't just, like, magically cover the work of a barista by magic. So I would have to pay for somebody to be there, but it, the life, the life balance and the importance of caring for members of our society is so important to me and family leave is something that everybody can benefit from, not just parents. And I think that that's really great, too.

[00:31:50] And, you know, again, this is something we don't have to kind of invent some of these technical things because you know, we've had the FMLA now in place, the federal law that covers these same types of events since 1993.

[00:32:04] Physicians know how to document that something qualifies as a serious health condition. We would use those that exact same serious health condition definition in our law, both for a family member and for the workers and the employees own health condition. So the doctor, you know, the whole medical community already knows how to document that.

[00:32:24] Yes, this qualifies as a FMLA covered, serious health condition. We've got that documentation part well in hand already. All of our physicians here know how to do that. And we know we can go ask California and New Jersey departments that are implementing these. How do you how do you certify that an employee actually has a family member with this or that the employee actually has it? We don't have to invent that. We can go and ask what's working well in your state? What do you wish you had done differently that we can actually implement from the start here? And we already actually have those relationships in place. I know that the people in our employment security department here, have already been deep in conversation with folks in the California department, their peers in California, so that they're already thinking about how are they going to be able to implement this in the way that's most smooth from the administration standpoint, easiest for the employee making the application. And you as the employer are not going to have to be making that determination. Right? You don't have to make that determination. It's the state that will make that determination, whether someone meets that qualification or not.

[00:33:32] And actually, interestingly, we've had two cases of where this type of family leave would have come into play. And we've sort of handle it on a case by case basis. One manager who had a
sick child and another manager who had a daughter who, sorry excuse me, a sister who was dying of cancer and it was a relatively extended process and so she was back and forth for a while. And so I think that in our case, we handled it again case by case.

I think business owners, whether regardless of size, I'll say small business owners right now that's probably how we're all dealing with it. I think the the ability again to formalize it, the ability to have it at the state level legislated so that it's a known commodity for both owners and employees. I think it's hugely important. I even you know, again, we have a relatively big staff I think for a restaurant and there may be may have been times when there was an employee that maybe was dealing with something like this. But because there wasn't a benefit that was extended to him, because there wasn't something that was obvious, they may have been handling it, you know in their own way without necessarily bringing it to our attention. You know, people shoulder their burdens in a lot of different ways. And so I think that again knowing that this exists, to have a healthy workforce, to have a healthy relationship between employer and employees is enormous. But I do think again it's coming at it from this way so that we have the ability to go down to the smallest business because when I can say we have a hundred and fifty employees we have at each restaurant, we have eight managers, we have a huge staff. If somebody, you know, disappeared off the face of the earth, we would be able to manage it.

Well If you have. Yeah. [laughs] If you have, I don't mean emotionally, we would be sad, but. Yeah.

and I think that, you know when you have a business again like it is, or if you have under 10 employees, obviously the void that it creates makes them feel very vulnerable, both financially and otherwise. And so I think, again, this sort of program allows, I think the employer number one, at least to know that the financial burden is relieved, even though obviously there's going to be the staffing issue. But I think that again, it allows the conversation to progress of okay, this is the way that it is. So how do we handle it moving forward? And like you said, we're not creating something that hasn't been done before. So let's use the examples that exist of successful programs in other states.

Thank you, everyone and that kind of goes into the last question that I have here before we take extra questions. What do you think makes the most sense for small business participation, for paid parental slash family leave? Should all employers have the option to participate regardless of size? Yes.

well, just to follow up, I think, again, it is about talking about being outside my bubble, being a bigger employer. I think it does have to be we have to look down to that smallest level. We have to find a way to make it manageable for the smallest of businesses because it doesn't make sense for us to support parental leave or family leave and then say, oh, you work at a five person coffee shop, so therefore you don't get it. I mean, that doesn't make sense to me, because part of our motivation to do this is, is the security of the individual beyond, you know, where they work, so.
I would second that we know FMLA leaves out a lot of workers right now and including folks right here in Seattle. And one of the biggest things we've heard on this listening tour across the state is an immediate reaction to employer size and what that employer size could look like. Because when you say 50 or even twenty five people, you immediately leave out a lot of workers. ESD in our state collects data on establishment size and there's some technical disagreements about how they do it. But we know approximately 40 percent of employees in Washington work at businesses with 50 or fewer employees. So and truly inclusive policy is going to be our strongest bet. And especially as our economy changes and we have a lot more self-employed folks and folks who are working on a contractual or seasonal basis. We've seen in other states options for opting into the program as it is a self-employed employee. And that's something that Maryland and our our coalition is working around for proposing as well.

I'm glad you had that percentage, because I was trying to think, I remember at least and I think in Seattle City limits, it's at least 40 percent, maybe higher? There are a lot of small businesses in Seattle, which is wonderful as a small business owner here, that's it's a wonderful place to be. But it also means that, like, it's hard, it's hard! But it's, it's wonderful in terms of the community.

There's a great community here. But, yes, it needs to cover everybody. And I mean, part of what we're talking about is that people that work for smaller employers are at the highest risk right now. And so if we exclude those people, then we're excluding the people that really need this policy.

Just real quick, and the data I was just going to say, even within the restaurant industry, it's even smaller. I think it's 25 percent of businesses, restaurants in the city of Seattle or 10 or under. And then the number I think to get over 50, it's upwards of I think 70 or 80 percent.

And I think the you know, the other issue is that our workforce is pretty mobile. I mean, obviously, you know we love to have people stay for a really long time and be invested in the company and get to know the customers and get to know that product and everything. And you know, that's great.

But we also know that people do move from job to job for all sorts of reasons. And companies change sizes for all sorts of reasons too. Good and bad. And so, you know, people, someone could have been, you know, paying into the program for years if you have an employer sized [contract?] you could be paying in for years and years and years into the program. Never needed once.

And then your employer decides just close one of its locations and now is below that level or whatever, or you decide to go to a new, you have a new opportunity, a really exciting new startup you'd love to join. And then you get the call that your mom just had a stroke, you know, or that you just, you get that diagnosis that you have cancer and you’ve been paying into this for years and never needed it. And now you can't qualify.
You know, we don't want to set up that kind of situation either. Right. We really want this to be something that follows the worker around just like Social Security follows the worker around that really sets up that floor of economic security for all employees, but also all businesses have that. And we really want all businesses to have the opportunity to benefit from this, get all of the positive benefits from this as well.

Small businesses don't have the pockets or the tax breaks to pay for benefits. Both my husband and I have small businesses and to keep his employee more than a couple years, he offers a ton of benefits. But then usually they jump ship for a bigger company with better benefits. So a program like this levels the playing field for the business owner.

I completely agree. And one of my arguments, when people tell me, like, well, minimum wage is really rising and we have all these these costs coming to small business, why are you for this? Because I'm very much for it. My answer is that it's hard for small businesses to remain competitive. And even in the service industry, if you jump ship to a larger service industry business, they have lots of benefits they can afford to provide. And we tried to provide a lot and we have the same thing. But the more benefits that we're able to do as a societal level that everybody benefits from, it does even the playing field for business owners themselves.

Ok. Well, that was the last of my questions here and so I'm ready to ask if anybody in the audience has questions they'd like to ask him. Also asked Twitter to send in their questions. The # paid parental, but haven't gotten anything yet. So still early.

So I'm I'm Jessie Nelson. I own Conduit coffee. We're fairly new roaster, coffee roaster, and we have three employees other than myself. So we're really small. And being competitive is difficult because we don't necessarily even have the hours available for employees. So, I mean, kind of leveling the playing field is sort of exciting because there's things that we try and do and we can't just keep increasing the wage and we pay enough already. But just to get people to show up and have that kind of commitment. Is there, and I may have missed this. Is there like hourly, a weekly cut off for the type of employees that are eligible for this?

So people would be, it would be very similar structure to the way people qualify for unemployment insurance. I mean, one of you want to sort of align as much as possible with existing things. So, you know, we'll align it with the definitions of FMLA. Right, even for people not covered by FMLA. So align it with the way employment security is already, figuring out if someone's eligible for unemployment insurance, which as you look back at their previous year of work history, is what they would do.

And so someone would have had to work three hundred and forty hours in the previous year. And employment security would verify that they could have worked for two different employers for that that amount of time.
But they would have had to have that amount of time into the workforce in the previous year in order to then qualify and then have a qualifying event in order to get it right. So.

That worked just within the state of Washington hours, so it would just be work within the state of Washington for now. I mean, as more states adopt this, you know, we could look at doing sort of compacts with other states and that kind of information sharing.

Oregon is looking at doing something very similar. And, you know, we've we're sort of in conversation with the folks in Oregon about maybe sort of to the extent we can and we can get our legislators to cooperate with what we want to do that, you know we have very similar systems in place.

So, you know, that might be an interesting thing. But, you know, right now it's going to be your hours that you've worked in Washington State.

So the first is pretty straightforward. And that's just to clarify, you're talking about actual job protection with this. Is that correct? Would this include job protection?

So, I mean, that's one of the things we're actually in active conversation with. And we'd really love to get feedback from one of the things we've heard from the other states some of the states have been including job protection. And Rhode Island and New York have included job production in their family leave, but not their disability leave. You know, the older systems back, that were established in the 40s. They didn't job protection wasn't sort of on their radar. So they don't have anything beyond FMLA in those systems. But so we're we really are in conversation. We've heard from a lot of folks in looking at that data from some of the other states. Job protection is a serious issue, especially for lower wage employees, that they might you know, their employer might not have quite the level of investment in them potentially. And they they just can't afford it.

You know, they can't if they are, if they don't know for sure they're going to get their job back, they, they're afraid to take the leave even if they get the benefit.

So so that's, you know, a question. Do we, does everybody get job protection? I think certainly we would want to extend job protection well below the FMLA level.

Oregon for decades has had like half of all of the FMLA standards. So instead of 50 its 25 employees, instead of a full year, it's been six months on the job.

You know, asking someone to have been on the job for six months before they're eligible for job protection seems to me to be in conversation with small business owners I've had, you know, having some amount of time on the job before you'd qualify for job protection.

Seems like a really reasonable thing, whatever your size of employer. So So that's one of the things we'd really like to hear some of your opinions on, actually.
Well, we know it's a really important consideration and we definitely want to include more extensive than FMLA. And just so people now actually, if you like, in your business which is covered by FMLA, and yours would be as well that FMLA would run concurrently.

So, you know, that would be.

I'm sorry. As a follow up, I'd love to hear your opinions on that. On job protection.

Yeah, I mean, we provide job protection with our leave right now. And again we're not required to.

But I would agree with what Marilyn said that I think a certain amount of time on the job, maybe not a year, a year is quite a while. And actually, I like we if we're a small business, everything is case by case like one of the people that took leave. She didn't work for us full time for a year, but it was like, OK. You know, that's fine.

We can have a conversation about this..

But and I think it's important as a social standard that there's job protection. I totally agree. I could see somebody being afraid of taking especially more of the family I mean parental leave sometimes, especially if you're a woman like there's no option. You have to be gone for at least a short amount of time. But family leave I could see people really weighing the pros and cons of like being with a parent that's sick. If they feel like they are not going to come back to their job. And so I think it's important. But I think it's important talking with business owners and I mean, again, to say where we're from when somebody leaves, I have to hire to replace them. And so that also when I have to hire to replace them, that adds a level of uncertainty to the person I just hired. So there's a little bit of, there's definitely a sense that it's a sensitive topic, but I think it's important to provide some level.

Yeah, I think that, I think the thing that I'm curious about and again, I would prefer to defer to the states that already have been doing this, rather than kind of stare off into the sky and wonder, what if? But the question I actually raised to a woman I was speaking with yesterday was trying to understand a small business that says had, let's say, five employees and one of them leaves for parental and family leave and thinking that they have to fill that role. And so if there was a job security in that case and the person coming back then, now you have an extra person and so how that works, does it is there suddenly a you know, an underlying employment industry of temporary parental and family leave or employee?

I don't know.

I mean, but I do think that it has to be addressed because I think that there probably could be some interesting employment issues if you're hiring somebody and then somebody comes back
after four and say they want to come back after four weeks and now you're letting that person go and
now you put your unemployment rating and all those other sort of things at risk. And so it seems like
getting into the minutia of that and again, learning lessons from other states are hugely important
because it is, it doesn't bring up, it's going to bring up some very interesting employment situations.

[00:48:59] And one of the things we have already included in the in the draft policy is and based on
communications with small business owners, is this very unemployment insurance rating issue because
for a lot of businesses that they would want to bring on a temporary employee. I mean, in some
businesses you could just increase hours of existing employees or you know, sort of cover in various
ways, just possibly what my organization would do about or you know bringing in someone sort of on
a short term contract or something.

[00:49:28] but.

[00:49:29] you know, if you do bring someone in with the understanding it's for, you know three
months or four months or six months or whatever the period of time is going to be it's just for this
period of time we're bringing you on in this role. And then when so-and-so comes back, you know,
you're out of here.

[00:49:45] But it's already written in there that this would not affect your unemployment insurance
rating. So if that person that you hired temporarily then isn't able to find something else and does
apply for unemployment insurance, you're not going to get dinged for that if it's for somebody who's
been, if you hired them temporarily to replace someone. So we already have that written into the
policy and that seems just like you know, a completely fair totally obvious. We haven't had anybody,
no one has objected to that provision.

[00:50:17] Hi.

[00:50:19] I'm curious about my company just recently offered us life insurance for the first time and I
haven't taken it because I have my own, but I'm thinking of doing it. And so the crossover between
something like life insurance and this kind of program and then also commenting on people with who
have chronic illness. A lot of people in this country, in this world now have that and it's a big issue that
I don't think is being addressed. And the last thing is, is that when people have to take leave. Yeah,
great, they get to go home and relax. Not not most of the time. Most of the time they're dealing with
who's covering me now and making all these phone calls so how are we going to deal with this? The
business owners, It's complicated for you too. It feels like a big headache and it's not about wellness
It's about policy and making sure you're following the law and it causes a lot of stress for everybody.
Despite the fact that it may work here and there. So how are we dealing with this? This seems so
tiring actually, to be honest with you. Exhausting. And I know I know people who are on disability and
have to spend their whole time on the phone and getting lawyers to back them up just to get what
they need.
[00:51:32] Well, I think there and again, looking at the other states and some of the research we've seen coming out of the other states, I mean, I think one of the one of the keys here is not having, you know, 30 different private sector companies offering private insurance to cover this.

[00:51:49] Having one state program, everyone's in the same pool makes it way cheaper for everybody to begin with, but you're also then not having to do all of that constant fighting over whether you're qualifying for benefits or not.

[00:52:03] That we hear constantly that good education, strong outreach to business owners so that business owners really understand how the program works. H.R. directors really understand how the program works. Most employees, no matter how much advertising you could do, we could, you know, advertise, have a, you know, multi-million dollar advertising budget. And a lot of employees would still discover about this program from their employers. So it's really critically important that the state really do excellent outreach to business owners of all sizes and really make sure that the business owners understand how the program works so that they can so that employers can pass that information on to their employees. So, you know again, I think that be a great thing to have input in. What's the best way to do that? What what do you need to know in order to make this as simple as possible for the employer?

[00:52:57] Because it should be really simple for the employer and make it really simple for the employee as well, so people can in fact, focus on getting well. Keeping their business successful and not have to worry about all these details.

[00:53:19] Good morning again. Thanks for doing these outreach sessions. I have a two part question, so sorry that it's a little long. The first is that a lot of the state programs like you mentioned, Maryland, draw from kind of this social insurance model and it's almost run through a lot of disability programs. This model here is, it looks like, would be shared between employers and employees. And I'm just wondering if you guys could explain the thinking on that and why, why there is not a component that the state would pay or if there's a maybe a parallel effort to fund the law that's already on the books where the state would chip in there piece, just what the thinking is on that. The second question is that in light of all this outreach that you guys are doing and feedback you're garnering. Do you expect that the proposal you submit this session will be the same bill as in previous sessions or will be updated incorporating these things?

[00:54:22] Well we're definitely updating the bill and we've had, we have had a bill the last couple of years in the state legislature passed out of the House Labor Committee.

[00:54:31] But we are updating it. We've done it, like I said, done a lot of research really looking deeply at what other states are doing and some of the new proposals that other states have done. And so we're adding the progressive benefits, you know doing some other changes to, we think, really actually help this work, the best it can possibly work. We've heard from a lot of folks, both employees and employers, that everyone having skin in the game is a good model. People like that. And we've done polling as well. You know, people kind of like that.
We all have some skin in this, right? Employees are contributing their share, employees are contributing their share. You know, I think you could actually make a great argument for a three way pay where you have the state also putting general revenues in. We clearly all as a society benefit if every child gets a really solid start in life. Right? I mean, you pay now or pay later. Right? You know, if every child really gets that strong foundation of support, if and, you know, think about all of the senior care and other kinds of care that that go on the elder care and that's something that is really beneficial for society to lowers everybody's medical costs. Right? If family members are getting instructions from the doctor or helping doing some of the nursing so people aren't in an expensive nursing care and you know, there's all sorts of ways where we all benefit. So you can really see an argument for putting in general funds.

I think we all also probably are aware that our state has some serious funding challenges facing it. They're going to, you know, I think everyone's expecting them to be in session until June again to try to come up with a budget and try to fund K-12 education and try to, you know, you know it just doesn't seem it seems kind of like a non-starter in our unfortunate context? We can have another discussion some other day about what's the best way to bring the right kind of revenue into our state so that we can actually fund things the way we should be funding them. But that's probably a discussion for another day.

And I would say to you know, we in the past had a state legislature that was majority Democrats and a state funded program still couldn't get off the ground. So I think the most realistic path forward is one where it's self-sustaining, and especially as Marilyn outlined, our current revenue state, a program that can maintain itself independent of the ebbs and flows of the general fund is really, I think a strong investment for all of us. This is a little bit of a different idea of state funding. But the state is one of the biggest funders of the program in the sense that it's an employer. So there is, you know, a certain amount of state funding and investment from state government in this, so they certainly have some skin in the game as well.

I know this is a small business forum, and I think that's good and I don't want to take us too far off topic, but I know a lot of larger companies do have disability insurance, right? Which is helping them fund this, this kind of thing. So, so how are we going to get them on board and what is that interaction between this program and a disability insurance program?

And, you know, again, we can instead look to what what are these same large companies doing with their employees in California? And often they'll say, oh, we provide exactly the same benefits to our employees in California as we do to our employees in Washington even though they also have the program there in California. So really it would be you know, every individual business is going to figure out its own way.

that's going to work best for it and its employees to coordinate the benefits they're already offering or are thinking of offering with this kind of state program. And like I said earlier you know, in some cases it would be sort of topping off so that and, you know as often times we're talking about
companies that have pay their employees pretty high wages. So these are employees who are getting, you know, maybe two thirds to half of their, because there would be a cap on the weekly benefit of about a thousand dollars a week. The maximum weekly benefit that you would get through this program. So, you know, you could use those other kinds of benefits to tip top off. Oftentimes, the short term disability programs would not cover fathers taking parental leave or caring for an ill family member. You know, they might cover your own disability, including some pregnancy related disability.

[00:59:01] but even that would be for a, you know, constrained period of time. So, you know there's all sorts of ways that and really this the law will not mandate to employers that you have to do it this way. That would really be left as a flexible option for employers to figure out how best to do that.

[00:59:18] So sorry, just a really quick follow,

[00:59:20] so then would we allow companies to self fund here the way they can in New Jersey and California?

[00:59:29] You know, I think the preferred option in our cost models are based on everybody being in the pool.

[00:59:34] You know, you start taking big chunks of the workforce out of the pool, then everyone else is going to have to pay more. Right? My preferred model, and I think it would work best for your company would be, yeah Microsoft employees are paying too, you not to pick on anybody in particular. Right? Yeah.

[00:59:57] And I think to a lesser discussed problem too is we think of small businesses or we think of like five, eight people. The federal definition is like under five hundred, right? Yes. But there's a small business owner, federally small business owner here in Seattle that I've worked with a lot, who they have a 13 million dollar a year business, they have about 100 employees. And they went there. Women owned mom owned firm, and they heard really strongly that their employees wanted a really comprehensive family leave policy. And so they went out to the market and looked for some sort of disability or insurance policy that they could buy to provide that. And there was nothing that was even near affordable for a 13 million dollar a year business! You know, these options are really scaled to large, very large corporations. And so the the marketplace, even for, you know what I would consider more of a medium sized business. It's very, very slim. So we're looking at a solution not just for small businesses, it's for medium sized businesses as well and our corporate partners surely will benefit with topping off or using whatever tools already do to retain and recruit top talent.

[01:01:10] Ok, well, there's no other questions. Is there any final things you'd like to say before you wrap up?

[01:01:16] No one's asked. How do you feel about this passing this year? Do you have any sense? I mean, like last year when I interviewed you, when I wrote about it, you had a real sense that there
were too many other things on the docket. You know, like we did sick leave and you know there was a lot of stuff that passed this fall, which is great. So how do you feel about this year?

[01:01:38] You know, you sort of never know, but I think, I think there's a really strong sense amongst a lot of folks out there. Many of the people who worked on the initiative that just passed on paid sick leave and minimum wage across the state.

[01:01:53] It's not going to have much impact here in Seattle, but that you know, that paid family leave really is the next big thing.

[01:02:00] This is the next high priority issue. It's been so much in the news, it's so much on the forefront of people's minds. We know that this is probably the single biggest policy advance we could make that would have address wage inequality, address gender inequality, address racial inequities, address the silver tsunami issue that you referred to. Giving every child the chance to really succeed in school.

[01:02:31] you know, if we want our you know, the investments we're making with the McCleary decision and investing in our K-12 system, we have to start at the beginning. You know, if we start at the beginning, that's going to make our investments in K-12 and our investments in higher ed, our investments in early learning. That's what's going to make those investments really pay off, so I think people really see this as important.

[01:02:51] Some of these issues tend to get sort of made into partisan issues in Olympia. But I think among the general public, this is popular across the board. The majority of Republicans support this.

[01:03:05] Virtually every Democrat, most the vast majority of independents, you know people of every income level of every education level, men support this in almost equal percentages with women. It's very, very, very high polling on this really across the board.

[01:03:21] So I'm very hopeful, even with, even though we'll have a legislature that is still divided by party.

[01:03:31] That this is an issue that we really can move forward in the legislative arena. I think there's so much interest and I think one of the things that will help make it move is if we have a lot of business owners who are willing to stand up and say, I really do support this, I think this is a great concept. This is the path forward that I'd really like to see our state take. We know there will be some opposition.

[01:03:54] and unfortunately at some of the business lobby associations that tend to take the strongest,

[01:04:02] be the strongest voices in opposing often more from an ideological perspective of just, you know, don't write, don't tell any business what to do. But I think, you know, we also have a lot of
business support and I think that's going to be growing as more people hear about it and really understand what it is we're talking about. So I would just love to hear like I said, I have some on my cards on the back table, would love to continue conversation with all of you here. And you know, see what we can do to really make this happen and have it be something that really is really well thought out and all of the details are really carefully thought out so that we can have as successful a program as possible.

A couple years ago, Moms Rising in 2015, moms rising worked really hard with Republicans and Democrats to pass the Early Start Act which was a historic investment in early learning and that had a lot of support in the Democratic Party, but a market number of support or amount of support in the Republican Party as well. And recognizing the link between early learning and family leave for the first time the Early Learning Action Alliance has paid family leave on their legislative agenda this year. And that's a huge step forward in signaling to our friends and on the other side of the aisle that this is an issue that is important to families and important to your constituents and important to the values that you support. We also, for the first time in history, have a women's majority in the House Democratic caucus that will be there next year. And I think that'll have a huge shift in terms of how this is prioritized within that that chamber as well. But just to echo what Marilyn said, there are a lot of people who come to Olympia from some of these business organizations who speak on behalf of all businesses.

and we know from events like this and from being out across the state that those views aren't always universal. They actually rarely are. So if, you know, we really would implore you to think about how you can show up, you'd be shocked at how four phone calls to one legislator's office can get them to come to a floor vote or an event or a committee hearing. It will get them to actually sit down and talk with people. You have a lot of power to activate our legislators and Marilyn and I know part of our job is to make it easy for you to do that. So we would love to help engage you in this amazing democratic legislative process and take you along the way. And I'd also say Moms rising we're having a business event with our good friend Molly Moon on December 13th here in Seattle to get the scoop on the business of paid family leave. But we'll be up on Capitol Hill and it's an open event to all sorts of folks in the business community. So we would love to see you there to continue this conversation.

I just want to speak to, not only am I the president of Seattle Restaurant Alliance, but that position gives me a seat on the board of the Washington Restaurant Association which I just started. My first meeting was in October. Speaking of big Washington State lobbying organizations, and I think that I, again, do not have a ton of experience, we've had one board meeting. It's interesting to be a part of that being from Seattle. The Restaurant Alliance is made up of all business owners in Seattle. So it's Dick's drive, its Bitter Root barbecue. Elliot Bay Brewing, Terra Plata, all that group, Delicatus Restaurant and sandwich shop, so it's all small business owners and as most Seattle citizens, our views are very progressive on a lot of topics. Being a part of the Washington Restaurant Association is interesting because now I see this large state wide group. The board is made up of people from every walk of life, from every part of the state. You might be a franchise, a Subway franchisee owner outside of Spokane. And as you can imagine, you have a lot of people with a lot of
different perspectives. The Washington Restaurant Association did come out last year, I don't know if it was earlier this year or late last year in support of a minimum wage increase, which they were.

[01:08:19] the only business organization actually did that, even though they disagreed with the initiative, passed the letter of the law. They did support a minimum wage increase and so I think that the restaurant association, the timing for something like this, apart from the fact that this has broad appeal regardless of geography or political party or whateve. There's also some common sense rationalization that has to happen because the minimum wage has shown that if you don't take the lead on policy, if you don't start to get in line with what's happening and what the public sentiment is, it's going to be handled city by city and it's going to be different policies and different areas of the state. And I think the state organization at least the Restaurant Association specific is acknowledging that and trying to work with legislature on policy like this, because I think that it's relevant as you said, it has this appeal. And so I think even going into those board meetings, which apparently when I got elected to this, they said, well, you've got to be the progressive voice of the entire board because you're from Seattle and you've got to represent Seattle values.

[01:09:24] And so, Mike, all right, I can do that.

[01:09:27] But I think going into, you know, even as as dry as it may be, going into the economics of this, if people aren't sold on the human element to it, going into the benefits of this program, the fact that it's not state funded, there's so many different ways to sell this. I hate to say it, so that this isn't just simply a line in the sand that's drawn and from whether it's a business organization or a political party where it's you're either on one side or the other. I think that there's a road to success.

[01:10:02] Great! Thank you so much to everybody who came out. Thank you to the Seattle Public Library, Jay Lyman for being our co-host. Thank you so much.


[01:10:20] Thank you, Marilyn, Rich, Maggie and Danielle for speaking on behalf of your organizations. And I will probably get your contact information on Town Square to share with all thousand ninety seven of us now that are part of Town Square so they can talk to you. We might have another session like this just to get, you know, get people more educated on what's been moving forward. And we'll keep the conversation going on Town Square as well. So thank you so much.

[01:10:56] This podcast was presented by the Seattle Public Library and Foundation and made possible by your contributions to the Seattle Public Library Foundation. Thanks for listening.