



**Erika Wadlington, Director of Public Policy & Programs, DC Chamber of Commerce
Before the Committee of the Whole**

on

**Bill 22-130, the “Paid Leave Compensation Act of 2017,” Bill 22-133, the
“Universal Paid Leave Compensation for Workers Amendment Act of 2017,”
Bill 22-302, the “Large Employer Paid-Leave Compensation Act of 2017,” Bill 22-
325, the “Universal Paid Leave Amendment Act of 2017,” and Bill 22-334, the
“Universal Paid Leave Pay Structure Amendment Act of 2017.”**

Tuesday, October 10, 2017

Good morning Chairman Mendelson, Councilmembers, and staff. I am Erika Wadlington, Director of Public Policy & Programs at the DC Chamber of Commerce. Thank you for the opportunity to testify on the proposed alternatives to finance and administer the Universal paid leave program in the District. At the Chamber, we strive to advocate for policies that make living, working, and doing business in the District of Columbia a better place for all our residents and the job creators that are investing in our economy. I would like to echo the sentiments of our member-companies who all appreciate the Council taking another look at the financing mechanism for paid leave, as well as the Committee’s interest in reviewing the components of the program administration. About the administrative, compliance and enforcement provisions in the proposed bills, particularly B22-334, we would like to work with the Committee on language that ensures the reporting requirements are simple and not overly burdensome, on amendments to what is considered unlawful practices that are action driven and responsive but do not dampen enforcement activity. We would also like to work on provisions that would reduce the punitive aspects and costs of the law not increase them.

An issue that is of importance to the Chamber and its members is having clear guidance and low costs associated with policy requirements. The proposed language in B22-334 is not clear for employers who want to self-administer specifically when looking at how the law coordinates with existing employer policies. We recommend it should be amended if moving forward. As you know from previous testimony over the years, each business and industry sector are unique. How businesses provide their benefits packages is no different. Whether the benefit is provided through, for an example, a disability insurance plan or employer-provided leave coverage, the Chamber believes

whatever standard business practice that currently exists for an employer should be allowed as long as they provide the mandated paid leave benefit. Such concepts align with how the District sees its paid sick days law and we would like to see that incorporated into the Universal Paid leave law moving forward. Further, we would like to see the Committee reconsider the retaliation provisions in B22-334, and reduce burdensome reporting requirements. As drafted, some provisions would require businesses to submit quarterly reports that ask for information, which is a concern for our membership. At the Chamber we would support annual reporting and are willing to work with the Council to outline requirements that are simple, clear, easy, and straightforward.

Additionally, since the scope of this hearing is focused on the payment structure and administration of paid leave, our members have questions about the type of staff and employees included in the fee assessed on the employer. At times a business may use contracted or temporary staff and our members have concerns that the language in current law is confusing. Because we do not want to see any misreading or unintended consequences surrounding which entity will be responsible for contribution amounts in such a scenario, we ask that the Council clarify this issue as it reconsiders the payment structure.

Lastly, for the record, we want to underscore the necessity for implementing and fulfilling public policy that is simple, predictable, and easy-to-understand. Ultimately, this will improve compliance and reduce the cost of administration. Because this issue is complex, a change in a policy can make budgeting difficult. For example, when the District enacted Universal Paid Leave, this legislative body mandated that the amount collected from covered employers would begin in 2019. We would encourage the Council to align its implementation timeline to collect the tax for any employer (large or small) to something tangible and certain. As such we would encourage the Council to move away from a July 2018 date as recommended in some proposals and align the tax collection to when the Mayor issues regulations and the government program is operational.

Thank you for the opportunity to comment on the proposed bills. The DC Chamber looks forward to working with you to find optimal solutions to the concerns raised. I am available to answer questions at this time.