

For Immediate Release Wednesday, July 11, 2018 Contact: <u>Jenny Donohue</u> 202-224-3978

BROWN OPENING STATEMENT PAID FAMILY LEAVE HEARING

WASHINGTON, D.C. — U.S. Sen. Sherrod Brown (D-OH) – ranking member of the Senate Finance Committee's Subcommittee on Social Security, Pensions and Family Policy – released the following opening statement at today's hearing.

Opening Statement as Prepared for Delivery

Senate Finance Committee's Subcommittee on Social Security, Pensions and Family Policy Hearing Examining the Importance of Paid Family Leave for American Working Families July 11, 2018

Thank you to Senator Cassidy for working with us to convene this hearing to explore ways we can work together to expand social security and the safety net to include paid family medical leave. It is a welcome glimpse of what we could achieve together if we focus on the needs of working families.

Right now, the lack of paid family leave is a drag on our economy that holds workers back.

American families lose nearly \$21 billion in wages each year because they don't have access to paid leave. People who work in jobs like ours, who wear suits and have good benefits, may not realize that the vast majority of American workers have no paid family leave at all.

For too many Americans, hard work doesn't pay off.

When I say we don't value work in this country, I'm not just talking about wages – I'm talking about the benefits people earn. Or should earn.

85 percent of the workforce – more than 100 million people – have no paid family medical leave.

If a mother has a baby, she gets zero paid time of f – not a single day. If she isn't back at work the day after she gives birth – something most of us would agree is cruel and absurd – she doesn't get a paycheck.

And this isn't just about new mothers.

All sorts of workers face impossible choices.

Do they go into work knowing the risks to their own health and to others around them, or do they stay home and lose a paycheck?

Do they send a sick child to school, knowing they're risking the health of their daughter and her entire classroom, or do they jeopardize their job by taking a day off?

As they grow older, workers also often have to care for aging parents. When sons over the age of 50 leave the workforce to care for a parent, they lose an average of \$304,000 in earnings and retirement savings. Daughters lose even more, an average of \$324,000.

If we truly value the dignity of work, we need to recognize that paid family leave is something all workers should have the opportunity to earn.

Today's bipartisan hearing is an important baby step forward on this issue. Members of both parties are coming together to recognize that this isn't acceptable in a modern economy, and acknowledging that we have to expand our social insurance to include paid family medical leave.

This isn't a partisan issue – it affects every sector of the economy, and workers of all ages with all types of families.

And paid leave is good for business. A recent survey conducted by the professional services firm EY found that the majority of large companies support the creation of paid family and medical leave programs on the state or federal level that are funded through tax contributions.

Such a program would be particularly good for small businesses. It would make these programs more affordable, and put small businesses on a more even footing with large corporations that can afford bigger benefit packages, allowing them to better compete for talent.

Today, Democrats have put forward a thoughtful approach that I believe could reach consensus. This is a commonsense bill that builds on the most successful and popular program we have in this country – Social Security.

It would offer low-cost, portable benefits that all American workers would earn, and it would be paid for by both workers and employers. It's an approach that's already been adopted by five states – soon to be six – and the District of Columbia.

My Republican colleagues also have some ideas on the table, and I want to thank them for their desire to work together on this issue. Democrats too are at the table, ready to negotiate and reach a solution that can become law.

Unfortunately, the approach some of our colleagues are currently proposing amounts to cutting Social Security for the workers who need it most.

Using your retirement security to fund paid time off from work when you have a child is not paid family leave at all – it's robbing from your retirement to be able to care for loved ones now.

Low-wage workers in physically demanding jobs are more likely to be forced into early retirement because of the toll their jobs take on their bodies. That already means taking a Social Security cut – and this plan would only make that cut bigger.

In an opinion piece for The Federalist, the President of the Independent Women's Forum – the group that first put forward this idea – wrote that she views this plan as a first step to, quote: "transform the current pay-as-you-go system into one that pre-funds future benefits and with assets that belong to individuals."

In other words, some of the people pushing this plan view it as beginning the process of dismantling Social Security as we know it.

I want to work together, but a plan that's a first step toward privatizing Social Security – the bedrock of our social safety net – is no place to start.

We also know that only covering parental leave excludes the vast majority of workers. Threequarters of Americans who use the Family and Medical Leave Act take time off to care for their own health or that of a seriously ill family member.

Any national paid leave plan should build on the Family Medical Leave Act, and reflect the wellestablished needs laid out in that law – parental leave, family care leave, personal medical leave, and military caregiving leave.

We must be able to have honest debate about these critical issues. Though we have differing perspectives, we're working toward the same goals and we can only achieve them by working together.

We all want to help families navigate a changing economy, and make sure hard work pays off. We believe that all work has dignity. So I'm encouraged that my colleagues on both sides of the aisle are taking this seriously.

Now that we have established that we need a national paid family medical leave plan, I hope we can get to work forging a bipartisan solution together.

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