

Good morning Chairman Gergely, Chairman DiGirolamo and members of the Committee. My name is Sam Denisco. I am Director of Government Affairs for the PA Chamber of Business and Industry. The Pennsylvania Chamber of Business and Industry is the state's largest broad-based business advocacy association, serving more than 24,000 members and customers. PA Chamber membership comprises nearly 50 percent of the private workforce. PA Chamber membership ranges from Fortune 100 companies to sole proprietors, and crosses all industry sectors.

Thank you for giving the Chamber the opportunity to testify today on House Bill 2278 which essentially covers leave circumstances not covered under the Family Medical Leave Act (FMLA). Specifically, this bill greatly expands the amount of available leave to an eligible employee by expanding the categories of family members to a sibling, grandparent or grandchild. Granting such leave for these extra categories does not take away an employee's right to have leave under the FMLA for the categories to cover.

For illustrative purposes, I would like to provide the committee with a few examples that will show how this bill is problematic to the business community. Under the bill, an employee takes 12 weeks of leave because a brother (sibling) is ill. The employee uses up his/her entitlement (12 weeks) under HB 2278, but still has a full 12 weeks left under the FMLA. Therefore, when the employee's child gets sick, he/she is eligible for an additional 12 more weeks bringing the total for a full calendar year to a total of 24 weeks.

Using this same scenario and reversing the order of who gets sick first, if the employee's child gets sick first, then the employee would exhaust all available leave both under FMLA and HB 2278 at the same time. This essentially means that the employee has no available

leave for his/her brother. The way the bill is drafted has the order of sickness determining the right of leave.

In another scenario, in instances where the employee's brother and child are simultaneously sick the employee could manipulate the system by taking advantage of both FMLA and HB 2278 merely by asking for a leave for his brother first. While leave under federal and state bill cannot run concurrently and under HB 2278 leave taken under FMLA can account against (or reduce) leave under state law, the results in this scenario is the employee getting an extra 12 weeks off. In the end, the amount of available leave is determined by who gets sick first.

FMLA leave has benefited millions of employees in helping to meet their particular family and medical needs. However, when employees use FMLA, it may create job disruptions and have adverse effects on the workplace in terms of additional costs and a loss of productivity. This is especially troubling when FMLA is abused to the detriment of the employer and fellow employees. HR professionals have long cited misuses uses of FMLA and leave expansions such as the one contained in HB 2278 which further invite misuses of leave. Employers want a reliable and predictable workforce while maintaining a comfortable level of flexibility to provide employees with an attractive compensation and benefits package.

Additional time off, if mandated by state, limits flexibility of employer to provide time off for other legitimate concerns. Most businesses have structured their workforces in a fashion that adequately meets the needs of its employees while not compromising the work product

of the employer. Additional leave mandates as contained in HB 2278 reduces employers' flexibility to tailor benefits packages to their workforce's particular needs.

At a time when employers are struggling to avoid layoffs and business closures, expanding leave mandates on employers is unwise policy that threatens jobs and the viability of many of the nation's businesses. Employers of all sizes understand that employees need time off to address personal or family health issues, which is why the vast majority of employers voluntarily offer generous leave benefits.

The business community favors legislation that strikes a balance between the needs of employers and those they employ. This balance is key in our economically competitive market. Legislation that tips the scale one way could result in the loss of a business or limited growth for the state, both of which would hurt employers and employees equally. Addressing the diverse needs of employers and employees is paramount to a successful workforce. By allowing businesses to meet the diverse needs of its workforce without government mandates, employers will be able to effectively operate in competitive markets and maintain the flexibility to support healthy families and a healthy workforce.

This concludes my testimony. Again, thank you for the opportunity to appear before you today.

