

Testimony of Aubrey Batten, Well-Paid Maids, in Support of HB 839 “Labor and Employment - Family and Medical Leave Insurance Program - Establishment” Submitted to the House Economic Matters Committee February 24, 2020

Thank you to the Committee and to the Chair for having me here today. My name is Aubrey Batten and I am a manager at Well-Paid Maids, a home cleaning company that operates in Maryland, DC, Virginia, and Massachusetts. We are a Maryland small business, headquartered in District 20. All of our employees earn at least \$17 per hour and receive a full benefits package on their first day of employment.

Currently, we offer paid leave through 100% employer-paid short-term disability insurance and the benefits to our business are obvious. Our employees are happy, hardworking, and dependable in part because by offering paid leave we acknowledge the realities of everyday life – people fall ill, get injured, and have babies.

By accommodating these facts of life with a benefit that recognizes them, our employees know that we have their backs. In turn, they offer better service to our customers and stay with the firm longer than we believe they otherwise would. This is not surprising - multiple studies of corporate and state paid leave programs show benefits such as increased employee retention, satisfaction, and productivity, as well as higher profits.

In our service areas, DC and Massachusetts have both already passed similar legislation to this bill. Once those state-run family and medical leave programs start paying out claims, we will be able to cancel our private short-term disability insurance policies – we are really excited about that. These public programs are going to offer broader coverage than what can be obtained in the private market but at nearly one-third of the cost of what we are paying now. It’s obvious why; by running this type of insurance as a public good, without having to account for profit-making, the costs of providing it go down. By defraying costs across the entire workforce, the individual costs reduce even further. In addition to lower costs, these state and local programs will provide for family leave, something that we are unable to obtain for our employees through private insurance. We expect similar results here in Maryland.

At less than three quarters of one percent of payroll, the cost of paid family and medical leave in Maryland is negligible compared to its enormous benefits. I would be skeptical of any business or business group that claims this is unduly burdensome on employers. What’s burdensome, not just for employers, but employees and the community, is not having a state program. The ability to take time to recover from an injury or care for a newborn child should not hinge upon an employer’s goodwill.

In closing, the sky is not going to fall on small business owners if Maryland passes paid family and medical leave. There are incredible benefits to business owners and employees, and our Maryland small business supports this bill.