



*Ohio House Commerce and Labor Committee  
Testimony of Melanie Elsey  
HB 536, Healthy Families Act  
May 28, 2008*

Chairman Brinkman, Ranking Member Yuko, and members of the House Commerce and Labor Committee – I appreciate the opportunity to express concerns with the proposed initiated statute represented by HB 536. Before addressing the negative implications of this proposal, it's important to clearly state that we are not opposed to companies providing paid sick leave as a benefit to their employees. We are, however, adamantly opposed to the establishment of a state mandated uniform policy that all companies must implement.

It is well documented through the U.S. Department of Labor Bureau of Labor Statistics that the vast majority of businesses in the private industry already provide various forms of paid leave benefits for their employees. These are uniquely tailored to the needs of each business and the employees covered. We believe that HB 536 mandates a one-size-fits-all plan and puts the Ohio General Assembly in the position of serving as the collective bargaining unit for thousands of multi-sized businesses. This makes no sense as it will be detrimental to the work being done to attract new businesses into our state and may force existing businesses to reduce staff or reduce other non-leave benefits (i.e. health insurance coverage) in order to stay financially viable.

Using U.S. Department of Labor: Employer costs per hour worked for employee compensation (wage and required benefit components – Soc. Security, Medicare, Fed/State Unempl.Insur., Work.Comp.) – average rates for Ohio region, it can be estimated that these mandates would cost an average company with 25 full-time employees more than \$28,000 per year; with 100 full-time employees more than \$115,000 per year; with 250 full-time employees more than \$288,000 per year; and so on. These costs do not include replacement wages for covering the missed employee with replacement staff at regular or overtime rates. What company would look at Ohio as favorable to growing businesses with mandated costs like these?

We are also concerned about the potential this mandate has for abuse.

- ❖ Hundreds of thousands of Ohio employees are healthy and do not need 7 days paid sick leave every single year. Because “preventive medical care” is left undefined, some employees may choose to use this policy to take paid time off to work out in a local gym or attend a yoga class to reduce stress – at the expense of their employers.
- ❖ Without a requirement to provide certification of a reason for medical leave less than 4 consecutive days, there is nothing structured into this proposal for preventing an employee from simply taking long weekends 7 times a year at the expense of his/her employer.
- ❖ The enforcement section gives Ohio employees “superpower” to sue their employers with the employer forced to pay all attorney fees!
- ❖ With no limitation on the rollover, employers will bear devastating costs if previously healthy employees resign for health reasons after years of unused paid sick leave.
- ❖ Companies that currently provide paid sick leave, with reasonable limits on multiple year rollovers, will not be able to keep this protection.

No one wants an employee to come to work with an illness, especially one that's communicable. But we live and work in a free market system. It is not the proper role of government to mandate the type of benefits that businesses, small and large, must give their employees. Given this mandate, companies may be compelled to reduce or eliminate other innovative benefits, which are not directly tied to paid leave, such as medical benefits, childcare reimbursement programs, short or long term disability coverage, college scholarships, etc.

For these reasons, we ask that you oppose the proposed mandates in HB 536.

*Melanie Elsey*

Melanie Elsey  
Legislative Director, Ohio Roundtable / Roundtable Freedom Forum

*Restoring Traditional Judeo-Christian Principles to American Public Policy  
National Headquarters • 11288 Alameda Dr. • Strongsville • OH • 44149  
800-522-VOTE • FAX (440) 572-2128 • info@APRoundtable.org*