



The Bell Policy Center

Healthy Families and Workplaces Act

Senate Bill 16-114

Testimony to the Senate State, Veterans and Military Affairs Committee
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Thank you for the opportunity to present this testimony.

I am Duy Pham, the public interest fellow with the Bell Policy Center. The Bell is a non-partisan, nonprofit research and advocacy organization founded on progressive values and dedicated to making Colorado a state of opportunity for all.

The Bell Policy Center supports SB 16-114 to require all private employers in Colorado to provide paid sick leave to their employees. Paid sick leave ensures that employees have job security and stable income during absences from work due to illness or injury, and it is important for the health and safety of Colorado's workers. Research conducted on states and cities that require paid sick leave suggests that the direct costs to businesses are relatively small and that they are mitigated in whole or in part by indirect savings due to increases in worker productivity and lower employee turnover. Research also indicates that paid sick leave does not affect job loss or job creation and is beneficial to the economy.

In Colorado, more than 813,000 private-sector workers, almost 43 percent of the workforce, do not have access to paid sick leave.¹ Lack of access to paid sick leave disproportionately affects low-wage workers, such as waitresses, cashiers, nurses and home health aides, or positions where women and minorities are overrepresented.² Many of these workers cannot afford to take sick time and forfeit wages. For a typical family in the U.S. without paid sick days, 3.5 days of pay lost to illness is equivalent to the family's entire monthly grocery budget.³

A recent study showed one in six workers reported that they or a family member had been fired, suspended, punished or threatened with being fired for taking time off due to personal illness or to care for a sick child or relative.⁴ This suggests that many workers are coming to work or sending their children to school while ill, which has negative productivity and health repercussions, particularly since many jobs that don't offer paid sick time are in the restaurant and service industry. Paid sick days can also eliminate unnecessary health care costs as workers who take paid sick leave recover faster and do not end up seeking more extensive medical care.

They are also less likely to infect their workplaces or the public, which can reduce overall health care-related expenditures.⁵

Studies also show businesses benefit from giving their employees paid sick time. Firms that provide sick days tend to have lower turnover rates, lower recruitment and training costs, lower unnecessary absenteeism and a higher level of productivity than firms that do not offer this kind of benefit.⁶ An analysis of Connecticut's paid sick leave law that went into effect in 2011 showed that few employers reported abuse of the new law, and many noted positive benefits such as improved morale and reductions in the spread of illness in the workplace. They also reported a modest impact or no impact on their costs or business operations, and they typically found that the administrative burden was minimal.⁷

In terms of job loss, data from San Francisco, Seattle and New York City — which all have paid sick leave protections — do not show a correlation between a paid sick leave policy and job loss. According to the Center on Law and Social Policy, Seattle and San Francisco experienced faster employment growth than surrounding comparable counties that did not require paid sick leave, while New York City experienced its lowest unemployment rate in six years at nine months after the law took effect.

At least 15 other states are considering a paid sick leave policy, and Colorado can set a precedent for protecting workers and our community. Paid sick days benefit families, businesses and our economy and are widely supported at the national level.

We thank Senators Carroll and Ulibarri for bringing this bill to you today and thank the committee for the opportunity to share our thoughts with you.

If you have any questions, or if I can provide further information, please contact me at (303) 297-0456, extension 218, or pham@bellpolicy.org.

¹ Institute for Women's Policy Research, *Workers' Access to Paid Sick Days in the States*, 2015
www.iwpr.org/publications/pubs/workers-access-to-paid-sick-days-in-the-states

² Institute for Women's Policy Research, *Women and Paid Sick Days: Crucial for Family Well-Being*, 2007
www.iwpr.org/publications/pubs/women-and-paid-sick-days-crucial-for-family-well-being

³ Economic Policy Institute, *The Need for Paid Sick Days: The lack of a federal policy further erodes family economic security*, 2011 www.epi.org/publication/the_need_for_paid_sick_days/

⁴ University of Chicago, National Opinion Research Center, 2008
www.norc.org/PDFs/publications/PaidSickDaysReport.pdf

⁵ Center for Economic and Policy Research, *Contagion Nation: A Comparison of Paid Sick Day Policies in 22 Countries*, 2009 cepr.net/publications/reports/contagion-nation

⁶ White House Council of Economic Advisers, *The Economics of Paid and Unpaid Leave*, 2014
www.whitehouse.gov/sites/default/files/docs/leave_report_final.pdf

⁷ Center for Economic and Policy Research, *Good for Business? Connecticut's paid sick leave law*, 2014
cepr.net/publications/reports/good-for-business-connecticuts-paid-leave-law