



Date: December 10, 2024

To: Chair Irwin and Members of the Senate Housing and Human Services Committee

From: Rachel Richards, Fiscal Policy and Government Relations Director

Subject: Support for SB 332 and SB 333 (Geiss) – Michigan Family Leave Optimal Coverage (MI-FLOC)

The League is pleased to support Senate Bills 332 and 333, sponsored by Sen. Erika Geiss, which would establish the Michigan Family Leave Optimal Coverage (MI-FLOC) Benefits Act, otherwise known as paid family and medical leave, for working Michiganders and their families.

For those of you who are not yet familiar, the League is a nonpartisan research and advocacy organization that promotes economic opportunity for all and analyzes the impact of public policy and budget decisions on the lives of Michiganders who have been historically and systemically left out of opportunities to advance prosperity. The League is also the state's Kids Count organization, working as a part of a national effort to measure the well-being of children at the state and local levels and to shape efforts that improve the lives of Michigan children.

The League is proud to be one of more than 120 organizations and businesses across Michigan that support the passage of the MI-FLOC legislation, recognizing that it would be a game changer for workers, families, businesses and our state's economy. The majority of Michigan workers—63%—do not have access to unpaid leave through the Family Medical Leave Act (FMLA) because they do not qualify or cannot afford to take it. This means that when they or a family member falls seriously ill or becomes critically injured, or when they welcome home a new child, they are faced with the impossible choice of paying their bills or taking the time they need away from work to attend to their caregiving needs. MI-FLOC will give these Michiganders access to the guaranteed paid leave they so desperately need and deserve.

We heard loud and clear in this past election that kitchen table issues and the economy are big concerns for Michiganders, and paid family and medical leave is a way to address those very real concerns and to advance economic security. In addition to broad organizational support for paid leave, there is also broad public support across our state, with recent polling showing that 81% of Michigan voters support the implementation of paid leave.

Paid leave is not only the right thing to do for working Michigan families, but the smart thing to do for businesses and our state as a whole. Evidence has shown that the costs of not implementing paid leave include wage and job losses for workers and families, worse health outcomes, higher healthcare costs, talent losses and lower employee morale for businesses, and a negative impact on the state economy.

Using data to educate, advocate and fight for policy solutions that undo historic and systemic racial and economic inequities to lift up Michiganders who have been left out of prosperity.

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It's also important to note that the actuarial analysis released by the Michigan Department of Labor and Economic Opportunity earlier this year underscores that paid leave would be a low-cost, high-value program here in Michigan that is both affordable and sustainable. Based on estimates from the actuarial study, the cost of a 12-week paid leave program for workers making the median and minimum wages here in Michigan would be about \$3.25 and \$1.48 respectively—about the same as it would cost to buy a cup of coffee or bottle of pop each week. And, under that same plan, small businesses would pay approximately \$9,000 annually if they had 50 employees and the average salary of all employees was \$50,000.

It's time for Michigan to join the 13 states, plus the District of Columbia, that have already enacted paid leave policies for their workers and families.

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