



VOICES OF VIRGINIA'S MAIN STREET  
Paid Family & Medical Leave Stories from  
Small Business Owners  
WINTER 2020







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## INTRODUCTION

At some point, nearly everyone needs time away from work to recover from a serious illness or care for a sick loved one or new child. Yet only 26 percent of the mid-Atlantic workforce has paid family leave through their employers.<sup>1</sup>

Across Virginia, over 723,000 small businesses employ 1.5 million people.<sup>2</sup> Even though they would like to, these small businesses lack the capital and the scale to provide earned benefits like paid family and medical leave, even when business owners want to provide those benefits.<sup>3</sup> The few options available to small business on the private market are expensive and lack the comprehensive coverage a public insurance program would provide. Most plans provide lower benefits and fail to cover many circumstances in which leave would be needed.<sup>4</sup> This lack of private insurance options is a key reason why only 9 percent of workers in firms with 100 or fewer employees have access to paid family leave, compared to 23 percent of workers in firms with 500 or more employees.<sup>5</sup>

Unequal access to paid leave reflects structural inequality, with lower-paid employees<sup>6</sup> and employees of color less likely to have access.<sup>7</sup> Lack of paid leave forces working people to make the impossible choice between their paychecks and their families. With women still shouldering a larger share of family caregiving responsibilities, the lack of widely available paid leave exacerbates gender inequities. For Main Street businesses, healthy families are part of our bottom line. Small business owners and our employees alike need to take time away from work when a loved one is sick or we have health problems of our own. That can be a real financial struggle for all of us. It shouldn't be.

Many small businesses are losing talented employees to large corporations, which wield the market power to provide comprehensive benefits. Small businesses benefit when employees can care for their families and return to work ready to help small businesses profit and thrive. Main Street businesses don't want to lose good employees; turnover and instability is costly. To give



Donna Welch (center), Owner of Let's Meat on the Avenue discusses the VA Paid Leave Bill with sponsors Sen. Boysko (R) and Delegate Carroll Foy (L)

small business a fighting chance, we need to level the playing field and adopt a strong paid family and medical leave social insurance program.

Progress has already been made. States and municipalities across the country—California, Connecticut, Massachusetts, New Jersey, New York, Oregon, Rhode Island, Washington state, and Washington, DC—are showing these laws help create a more equitable Main Street. Small businesses report an overall positive experience with these programs. Paid family and medical leave laws make paid leave affordable and accessible to small businesses, both leveling the playing field between small businesses and large corporations and increasing economic security for small business owners and their employees.

When lawmakers fail to act, large corporations win. Leaving small business owners and employees to fend for ourselves gives big corporations that already dominate our economy and politics a competitive edge. Small business owners and our employees need action from lawmakers to address racial, geographic and gender inequities in our state. Virginia has vast racial and gender wealth gaps produced by decades of discriminatory policy, making paid family and medical leave especially urgent for families of color and women. Virginia’s rural people and people of color are less likely to hold jobs where paid leave is offered, and women more often shoulder caregiving responsibilities.<sup>8</sup> A Virginia paid leave program will improve the workplace for women and people of color, creating more stable households and a stronger, more equitable Virginia economy.



Aaron Seyedian, owner of Well-Paid Maids, which operates in the DC, Maryland and Virginia testifies to the House Oversight Committee on the importance of Paid Leave in December 2019

1. <https://www.bls.gov/ncs/ebs/benefits/2019/ownership/private/table31a.pdf>

2. <https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-VA.pdf>

3. [https://d3n8a8pro7vhm.cloudfront.net/mainstreetalliance/pages/716/attachments/original/1518636864/MSA\\_PFML\\_Report\\_-\\_Phase\\_1\\_v3.pdf?1518636864](https://d3n8a8pro7vhm.cloudfront.net/mainstreetalliance/pages/716/attachments/original/1518636864/MSA_PFML_Report_-_Phase_1_v3.pdf?1518636864)

4. <https://www.minnpost.com/community-voices/2019/04/the-cost-of-inaction-on-paid-family-and-medical-leave/>

5. <http://cepr.net/documents/nj-fli-2014-06.pdf>

6. <http://cepr.net/documents/nj-fli-2014-06.pdf>

7. <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>

8. <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>

## **A Win-Win-Win: Good for business, employees and the economy**

The Paid Family and Medical Leave Program is an affordable and responsible way for small businesses to support and retain employees when serious family and medical needs arise. The contributions would go into an insurance fund managed by the Commonwealth. Contributions would cover both benefits and administrative costs. This spreads the cost of leave, reducing the burden on individual employers without creating significant new administrative requirements. When an employee or small business owner needs to take time away from work, they can draw income from the fund to get by until they're back on their feet. Employers can use the salary of their on-leave employees as they see fit; they can use it to hire a temporary replacement, invest it in their business or save it for another use.

**Paid family and medical leave laws help level the playing field between small businesses and large corporations, allowing small businesses to compete on a more equal footing.**

With modest bottom lines, small businesses, including 84 percent of businesses surveyed by Main Street Alliance, often have trouble matching more generous paid leave benefits offered by larger employers—resulting in a hiring disadvantage.<sup>9</sup> In the current labor market, that means losing talented employees to larger



Lori Leetz, owner of Lori's Table (Spotlight next page), serves VA Rep. Don Beyer during a small business walking tour to discuss the need for paid leave, December 2019.

employers, which wield the market power to provide paid leave to top managers but are squeezing everyone else with low-wages and uncertain jobs.

**Paid Family Medical Leave provides critical financial security for small business owners themselves.**

Small business owners themselves need paid family and medical leave. They, too, have new babies and ailing partners or parents, and often cannot afford to take unpaid leave. Their cushion may be razor thin, and a single accident or a medical emergency could jeopardize the health of a small business and throw a business owner into financial ruin. Under the proposed Paid Family and Medical Leave Program, small business owners would have a guaranteed revenue source while out on leave, allowing them to take care of themselves and their family without risking their business.

**Paid family and medical leave helps the local economy, boosting consumer demand at small businesses, as working Virginians spend their increased earnings to cover the basics.**

When individuals do not have access to paid leave, it impacts their spending and consumption patterns. When they take unpaid leave, employees give up income they need to pay bills, buy groceries and support their families.

We can't continue letting big corporations set all the terms for what businesses can thrive, who can take time to care for family, and who can feel secure in their day-to-day lives. Let's leave no business or family out. Families and small businesses alike come in all shapes and sizes. We need a paid family and medical leave program that includes all entrepreneurs, all workers, and all families. Here are some of the voices of Main Street.

9. <https://bit.ly/2DQwCX6>



When I had hip replacement surgery in December 2018 the income I lost meant we had to take from my daughter's college fund to pay the mortgage. It was a choice no parent would ever want to make, but we didn't have another option.

I'd known I would need the surgery for some time. The pain was simply too much and my mobility was suffering. I tried to balance my health with what was best for our restaurant in Old Town, Alexandria. I scheduled the surgery for just after the holidays when our catering schedule lightens and my absence would be felt less acutely.

The procedure was successful and my doctors recommended that I take six weeks away from work to fully recover. In the weeks after my surgery my family pitched in and my staff worked longer hours, but it was tough to cover the seventy or eighty hours I usually spend at the restaurant.

**In the end I came back to work after only four weeks, reluctantly disobeying my doctor's recommendations.** I wasn't drawing the income I usually do while on leave and household expenses were

A paid leave insurance fund that covers small business owners like me will mean we'll no longer be forced to pit our well-being against our livelihood.

piling up. My employees and family were working hard to fill in for me, but I knew it wasn't easy for them; plus, labor costs were up considerably since I was paying staff to replace my hours. And while business continued steadily while I was out, I hoped our sales would increase if I were back at work.

**Access to funds from a paid leave program during this time would have been a significant help—for my business, for our household and for my health.**

It would have helped to cover some of the wages I was paying to replace my hours and made it easier for me to collect my regular income. We would have been much less likely to find ourselves forced to pull from our daughters education fund. And I would have felt much better about taking the full six weeks that my doctors recommended.

Across Virginia, tens of thousands of working small business owners like myself have precious little margin to take time away from our businesses. In the times when it's absolutely unavoidable, our absence can have a lasting negative impact on our businesses, our household finances and our families. **A paid leave insurance fund that covers small business owners like me will mean that we'll no longer be forced to pit our well-being against our livelihood.** The time has come for a strong paid leave policy for all Virginia small businesses and working Virginians.

## SPOTLIGHT: Cristina Angelo—Mea Culpa Cafe—Norfolk

A couple years back I got an excruciating lesson in how to work through debilitating pain. I'd left my corporate job to work the line at an independent restaurant in Norfolk, learning the ropes of the hospitality industry in preparation for opening my own place one day.

One day, a dull ache in my jaw turned into a searing pain. I could barely talk. I couldn't chew. I couldn't think about anything else. **I couldn't focus on my job. And I couldn't take a day off to get it checked out without missing a day's wage that I couldn't afford to miss.**

After one unsuccessful trip to the dentist to find out what was wrong—I got sent home with a tube of toothpaste for sensitive teeth—I made an appointment with another dentist and finally found out I had a cracked tooth. The dentist told me she couldn't believe I'd coped this long with such a painful condition. Looking back, I can't believe I did either.

It had taken weeks to get the care I needed, and I worked every shift during that time, fighting off the pain.

Going through this experience made me realize how important it is for people to be able to take the time they need to get care and recover—from a cracked tooth, a broken bone, a serious illness—and get back to work at 100 percent.

**Now that I've opened my own cafe, it's important for me to have the option of taking time away in case the need arises.** As we grow our business, I want to be able to offer this to my staff as well. But for a small business like mine, offering paid leave is just not feasible from a financial standpoint.

That's why a universal paid leave program—one that includes workers at businesses of every size—can help owners like me get access to paid leave we otherwise couldn't afford. Paid leave shouldn't be a reward for choosing a corporate job over one with a small business. **It should be available for all workers, regardless of the size of the business where they work.** That's the Virginia I'm working towards.

Going through this experience made me realize how important it is for people to be able to take the time they need to get care and recover—from a cracked tooth, a broken bone, a serious illness—and get back to work at 100 percent.



Cristina Angelo is the owner of Mea Culpa Cafe, a coffee shop in Norfolk, VA.



## SPOTLIGHT: Matt Baker—Action Music—Falls Church

To run a business requires a group of people to come together and work toward a common goal. I believe that no matter what role someone may play in this work, they deserve to be treated with decency and valued as a person. For me, this means giving my staff the opportunity to take time away from work when they need to and not be forced to sacrifice their income.

We live in a physical world. **People are going to get sick. People will start families. They'll need time to recuperate and they deserve to spend time with their loved ones during critical moments.** As our social safety net has eroded, people find themselves facing financial uncertainty, one emergency away from catastrophe. We cannot allow ourselves to be consumed by the pursuit of profit at the expense of our humanity.

At our music shop in Falls Church, we've done our best to put our values into practice, but it hasn't been without its challenges.

Two summers ago, a valued employee was involved in an accident. It was three weeks before they could return to work and three more weeks before they were back full time. I was able to make sure they were still getting their paycheck during this time. But it was an unexpected expense, akin to hiring a new staff member or offering a large raise on virtually no notice. Our bottom line took a hit and it was weeks if not months before we were back on track financially.

In addition to the extra labor costs, losing one staff member on a team of five meant an increased workload for everyone on staff. I'm proud that we came together while one of us needed time away, but even with our hard work certain things fell through the cracks. We were missing an important part of the team and I lacked the resources to adequately replace that person.

My business can't succeed unless my staff come together and work as one, supporting each other along the way. The same principle holds for a strong paid leave policy.

**Having access to a paid leave insurance program would have significantly reduced the stress on our recuperating colleague and reduced the burden we faced as a business and as a team.**

We've been fortunate to have been able to find a way to meet our employees' leave needs and ensuring they still get paid. But as a small business, it's a major expense and we have limits to what we can offer. We don't have the deep pockets of our corporate competitors. I expect it's only a matter of time before someone from our staff needs more leave than we can afford.

These are some reasons why a universal policy like the one being considered by the General Assembly is crucial to businesses like mine. Small, main street businesses need an affordable option for the inevitable circumstances we and our employees face. My business can't succeed unless my staff and I come together and work as one, supporting each other along the way. The same principle holds for a strong paid leave policy. Please come together to find a solution that meets the needs of small businesses and our employees alike.



Matt Baker is the owner of Action Music, a music retail store in Falls Church, VA.

## SPOTLIGHT: Marilyn Cayton—Bygones Vintage Clothing—Richmond

When you've been in business for over forty years there's not much you haven't seen, from some of the toughest times to life's most joyous moments. It's through these times that the people you work with, those you see every day, become like family. That's been the case at the vintage clothing store in Carytown I've run for more than four decades now—the better part of my life.

Since I opened the store, the Bygones' family has welcomed several new members—seven children last time I checked—including two of my own that are now full grown. It's been wonderful to share in the happy moments of parenthood with my staff, but it hasn't been without its challenges.

**We have all faced stressful times in the weeks and months after having our children as we've tried to balance our roles as new mothers with our roles contributing to the household income.** It wasn't easy for any of us.

I've always encouraged my staff to take the time they need to be with their families and bond with their babies. Their jobs would be there when they were ready to come back. And while my business has been successful enough to last as long as it has, it's still a small store with modest revenue. **I've never been able to offer my employees their salary when they've taken leave, even though it's something I wish could make work.** I just can't afford it without breaking my budget.



We need to come together and plan for life events—the happy ones and the trying ones—that affect us all, whether you work at a vintage clothing store or a Fortune 500 company.

So my employees have taken unpaid time, which of course is a serious blow to their budget just at the time when expenses start piling up. I'm sure each of them faced added stress about bills and basic necessities during a time when they were anxious enough caring for their new child. And I'm sure this put them in the difficult position of choosing between obeying their doctor's advice to bond with their new baby or return to work.

I know many of them came back to work before they would have if they had had the support to stay home and care for their child. I know because I did the same thing.

When my first child was born, I told myself I'd take at least two months away from my business. **I was back at work after less than three weeks.** Checking inventory, paying bills, making purchases—doing what I knew needed to get done to keep the business going. It was a hectic time, not least of all for having to balance running my business and finding the time and place to feed my newborn. My second was born and I told myself the same thing, only to find myself back at work again just a few weeks after giving birth.

We can do better than this. Making sure everyone has the time they need to bond with a new child—or care for a sick loved one or recover from an illness, for that matter—is eminently attainable. We just need to come together and plan for the life events—the happy ones and the trying ones—that affect us all, whether you work at a vintage clothing store or a Fortune 500 company.

The proposed paid family and medical leave bill does just that. **It helps us plan for the inevitable but sometimes unforeseeable times we need to focus on ourselves and our families away from work.**

I hope paid leave becomes a reality for all Virginians, and for the next member of the Bygones family.

Marilyn Cayton is the owner of Bygones Vintage Clothing, a vintage store in the Carytown neighborhood of Richmond, VA.

## SPOTLIGHT: Kristy Cotter—Dear Neighbor—Richmond

The year before Rune was born, my husband and I embarked on a dream of ours: starting our own business. We had finally settled on a great location in Church Hill. I oversaw the renovations to the boutique's storefront and our new home upstairs.

Our plan was that I would manage the boutique while my husband would keep his day job. We opened in November 2016 and could barely keep up with the holiday shopping season. Things looked bright from the start.

A few weeks after opening the business, we got another great gift when I found out I was pregnant. A little earlier than we might have thought, but something we knew we wanted. We were overjoyed.

Our first year in business we did well, growing to hire two part-time employees. As my due date approached, I knew that I'd need to take time away from the store. Fall came and the busiest part of the year was right around the corner. So much had to be done: inventory chosen, ordered and stocked; a marketing and social media plan put together; staff readied for the hectic pace of the holiday season. I wasn't sure how we'd manage once Rune arrived but I didn't have much of a choice. We'd get by any way we could.

**The happiest moment of my life happened in October 2017. It also happened to be the worst month on the books for our business.**

The first two weeks after Rune was born I was in a daze, on autopilot. I'm not sure how I managed anything, but I learned that moms find a way. I was so focused on my family that our business took a back seat.

One thing lead to another at our shop—staffing and scheduling issues, falling behind on marketing. I could sense things weren't right. So I started checking up on things, coming in when I could at first. It wasn't long before I was clocking regular hours.

In the end, what should have been the highest grossing two months of the year turned into a less than spectacular finish to 2017, just when we could have used the extra income the most.

**What's worse, returning to work so soon was terrible for my health and put Rune at undue risk.**



The toll on our business and my health was as real and as serious as it was preventable...I want to ensure others in similar circumstances aren't forced to make the tough decisions without necessary resources.

I suffered from postpartum anxiety and depression. My doctors told me that the added stress shortened how long I was able to breastfeed.

Rune's a healthy three year-old and our shop is back on its upward trajectory, but the toll on our business and my health was as real and as serious as it was preventable.

A paid family and medical leave policy that covers small business owners like me can help us navigate the important events in our lives. I'm fortunate that we managed to stay the course with our business and are still thriving, but many others have needlessly faced worse setbacks.

**Looking back, having access to paid leave would have been a tremendous asset for me, my family and my business.** I want to ensure others in similar circumstances aren't forced to make the tough decisions I had to make without the necessary resources.



A strong paid leave policy that includes an option for sole-proprietors like myself... will provide us the support in times of need that will keep our businesses open and thriving.

I am a sole proprietor. **One of over 350,000 self-employed Virginians.** When it comes to my business, if I don't do it, there is no one else to get it done. Small businesses like mine drive the Virginia economy and we do it with no net below us, constantly at risk of a devastating freefall. Because of the lack of paid leave, my real estate business is one medical emergency from extinction, one sick spouse or sick parent away from losing revenue that could set me back years. **A strong paid leave policy that includes an option for sole-proprietors like myself and the hundreds of thousands of other hard working self-employed Virginians will provide us the support in times of need that will keep our businesses open and thriving.**

I may be a sole-proprietor now, but like many others I am working tirelessly to grow my business, to expand, to hire, and to become a job-creator for more than just myself. I know that when my business has grown, attracting and keeping a talented staff of agents will be absolutely crucial to my success. Real estate is a person-to-person business, so I'll be looking for the best people I can find. When I do hire staff, I want to make sure they are well-compensated, with access to a competitive benefits package. But because I'm no Warren Buffet—yet—I won't have the revenue to offer paid leave to my staff, giving Berkshire Hathaway and other titans of the industry a leg up on me from the start.

Private plans on the market like supplemental disability insurance, if they're available at all—and they're not available in all areas—are prohibitively costly and don't provide the necessary benefits for the broad range of paid leave needs people can face. **Simply put, they're a poor substitute for a universal program, which is what Virginia needs if we truly want to level the playing field for business owners like me.**

A strong paid leave program will benefit my business. It will also benefit the 200+ members of the Richmond LGBTQ Chamber of Commerce. Chamber members include businesses operating in all sectors of the Richmond economy, from law firms to retail shops to restaurants. Our members are devoted spouses, children and grandchildren, parents and grandparents, with caregiving responsibilities like those of all working Virginians. We need a strong paid leave program that allows our members to take the time they need to care for themselves and their loved ones.

The Chamber is first and foremost a business organization that supports ideas that are good for business. **Paid family and medical leave will help our members meet the leave challenges they face every day, challenges they are currently facing without the necessary support.**

The Chamber is also an organization that values the strength of community, one whose members have worked hard to build unity and support one another. Paid family and medical leave builds on that work and speaks to the importance that community plays in our organization, our businesses and our lives.

It is because of the hard work so many Chamber members have put in to building community that **we strongly support a paid family and medical leave law with an inclusive definition of family, one that ensures**

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**all Virginians can care for their loved ones.** Though we've made progress toward equity in Virginia and across the country, we know that the struggle continues for the LGBTQ community to be able to exercise our full rights. Many Chamber members themselves have been denied their rights because of who they are. An inclusive family definition for paid leave will ensure we continue to march forward toward a stronger, more equitable Commonwealth.



# Small Business

for

## Paid Family & Medical Leave

The Richmond LGBT Chamber of Commerce is an affiliate of the National LGBT Chamber of Commerce (NGLCC), a founding member of the Small Business for Paid Leave Coalition ([smallbusinessforpaidleave.org](http://smallbusinessforpaidleave.org))

## SPOTLIGHT: Heather Fraley—The Ten Top, Clementine’s At Riverview—Norfolk



Let me tell you what it’s like to own your own business and start a family.

You buy the business, a beloved restaurant in Norfolk, the place where you fell in love, then you get married and get pregnant. You work doubles in your third trimester and you work six days a week until you go into labor.

You have a beautiful baby girl on a Tuesday and kiss your husband goodbye as he leaves for dinner service that night, thankful he took lunch off for the birth. **You take a couple days away from the business—a couple means TWO days—and you’re back on your feet doing prep for a catering event that Friday,** your baby girl in a rocker beside you as you dice vegetables.

Owning a business shouldn’t mean working yourself to the bone only days after giving birth. It shouldn’t mean leaving to run the kitchen only hours after watching your daughter be born. It shouldn’t, but for many of us it does.

For working owners like my husband and me, taking just one or two days away from the business can seem nearly impossible. One of our biggest fears is that something will happen—one of us will break an arm or get an illness—that will keep us from being at the business. **It could turn out to be a serious threat to our livelihood and the livelihoods of our employees.**

No paid leave also comes at the cost of our physical and mental well-being. It meant I had to disobey my doctor’s orders to rest and focus on my daughter. It meant added stress to our marriage and business partnership, as

long shifts after sleepless nights frayed our nerves. It meant we both missed out on bonding opportunities at a crucial stage in our daughter’s development. It meant I gave a blank stare when a health professional asked me about my self-care routine.

Add to the personal cost the costs to our business. Just the few hours I missed in those weeks meant we lost catering opportunities and much-needed revenue. Staffing problems arose we couldn’t properly address right at the moment, causing workplace issues we had to spend extra time to solve later.

This doesn’t have to be the case. In just about every other part of the world it isn’t. **A comprehensive paid family and medical leave policy would give working owners like me better options** than choosing between keeping my restaurant in business and caring for my daughter.

There will always be life events—an early start on a family, an illness or a sick parent or spouse—that call us away from work. Planning for these events can keep businesses like mine thriving and reduce unneeded stress and health risks for owners like me and our employees. A smart paid leave policy is the best way to help us make those plans. **It’s time for paid family and medical leave for all Virginia workers and small business owners.**

One of our biggest fears is that something will happen—one of us will break an arm or get an illness—that will keep us from being at the business... This doesn’t have to be the case.

Heather Fraley is the owner of two restaurants in the Norfolk, VA area - The Ten Top, and Clementine’s at Riverview.

## SPOTLIGHT: Kay McCarthy—The Phoenix and Ruby—Richmond

After forty-two years in the retail clothing business, I know that my employees give 110% to our store. Having staff that shows that dedication, it's important to me to support them in return. Giving my employees the chance to take time away from work and still be paid lets me show them that their hard work is appreciated. I wouldn't run my business any other way.

**Over the years I've run my two stores, I've had a handful of employees need time away—for family reasons or to take care of their own health issues.**

I've always done everything I can to make sure they take the time they need without sacrificing their income.

Recently, one employee needed to take two weeks to recover from a potentially serious health issue. They'd been with me for over five years and I knew that it wasn't that they didn't want to work—they couldn't, with good reason. I didn't think twice about giving them the time off with pay.

Of course, it makes things more challenging. It's difficult to juggle staffing and it's a considerable cost to cover someone's absence, even for two weeks. But I try to put myself in their position. If I'd been working for a business for several years and needed time off to recover from an illness, I hope I'd be able to do so without losing my income.

**As a small business, there are limits to what I can provide.** Not long ago, another longtime employee underwent surgery. Complications from the procedure meant they were forced to miss three months of work. Of course I wanted to be able to provide their pay for the duration of their absence, but I simply couldn't afford three months. In the end, I could provide a month of paid leave and two months of unpaid leave, making sure they had their position back when they were ready to return.

It's situations like these that make it so important we put a system in place to help small business owners and our employees meet these challenges. An affordable paid leave program would mean I could offer the leave my staff needs from time to time, rather than the partial leave I can afford on my own.

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Kay McCarthy owns The Phoenix and Ruby, retail clothing shops in Richmond, VA.



Aaron Seyedian testifies to the House Oversight Committee on the importance of Paid Leave in December 2019

Owning a small business doesn't exempt you from the realities of everyday life. If anything, it makes you keenly aware of them. People get sick or injured. They start families. Their family members—children, parents and partners—need to be cared for. **Ignoring the inevitable only puts our businesses at risk, jeopardizing our livelihoods and those of our employees.**

I place my employees at the center of my decision making not because it makes sense for my business, although it does. I do it because it's a moral choice. I recognize the humanity in each of my employees, and that means supporting them as people, especially when they face challenges in their lives.

Well-Paid Maids provides a living wage to all staff, as well as a comprehensive benefits package that includes paid holidays and vacation, paid sick days, health, dental, and vision insurance, and 100% employer-paid short-term disability insurance should longer-term events arise. Through short-term disability insurance, my employees can take up to twelve weeks of leave per year and receive 60% of their average weekly income.

**I've made providing paid leave a priority for my business, and I'm glad to do so, but it hasn't been**

**without its challenges.** For now, I have to buy short-term disability insurance for my employees to have access to paid leave. This comes at a considerable cost and it lowers our margins. What's more, because my business is small—we have 15 employees—I'm not eligible for the range of policies offered to larger companies. This means I have to buy disability insurance as a supplement to other insurance I buy, costing me even more.

**Even paying these high rates, it's still been a battle to secure the benefits for my employees who have needed to take leave.** Insurance companies don't make profits for their shareholders by generously paying out claims. I've had to fight tooth and nail, threaten escalation and aggressively assert my rights under our contract, just to get my insurer make good on their obligations.

The effort is worth it. I know my employees feel more secure for having access to paid leave. **And I know that the worker-friendly business model we've developed has helped us grow, responsibly and ethically.** That said, I'm looking forward to participating in a paid leave social insurance program when Washington, DC's program begins soon. My expenses for providing paid leave will be lowered and my employees will receive more generous benefits. I also expect I'll be spending less administrative time ensuring benefits are paid correctly and on time.

**Universal paid leave will be a boon to DC workers and businesses. Workers and business from all over Virginia deserve the same.** Paid leave shouldn't depend on where you live or who you work for, it should be as commonplace as the life events that necessitate it. Anything less ignores reality, devalues us as people, and weakens our community.

Paid leave shouldn't depend on where you live or who you work for, it should be as commonplace as the life events that necessitate it.



For businesses the size of mine, the math only adds up when we use the power of numbers that a universal system provides.

We're just a handful of people at my butcher shop, so I work side by side with each of my staff members. For that reason, it's important to me to build strong relationships with my employees. I want to show them the same care they show me by helping our business succeed.

Recently, an experienced staff member required surgery for a chronic neck condition that was causing him pain and limiting his ability to work. Doctors replaced several vertebrae in his neck, and, after a successful surgery, they ordered him to rest completely to fully recuperate.

He'd been responsible and saved the paid time off I could afford to offer—about two or three weeks—and was able to follow his doctors' orders for that time. But when the time he'd saved had been used, he returned to work, not wanting to lose out on income. I'm sure he'd have taken more time if he'd had it, and I'm equally sure he wouldn't disobey his doctors' advice without a strong reason. But reality meant he was back at work only a short time after this major surgery, doing the type of intensive, physical work that I imagine his doctors would have preferred that he avoided for a while longer.

**Over half of FMLA requests for unpaid time off are to recover for personal medical reasons, but loss**

**of income means many people can't take their full recovery time.** In addition, as a small employer of less than 50 employees - the job protection guarantees in the act do not even cover my employees.

We're a small enough shop that when someone takes time off it affects all of us. When a key staff member takes time away, it can be a challenge to keep the business running smoothly, but we all pitch in to make it work. That said, the solutions we've come up with have their drawbacks. Other staff members pick up shifts, which I'm very thankful for. But that can mean paying overtime on top of the salary being paid to the employee on leave. At a business the size of mine, that can be an uncomfortably large increase in payroll expenses.

Moving beyond unpaid leave into a paid leave insurance program would mean much smaller increments over time instead of footing the whole bill. **A paid leave social insurance program would allow me to use employee's salaries to cover overtime for other staff, hire a temporary replacement or however I see fit in my business,** while employees are still paid from the fund.

For businesses the size of mine, the math only adds up when we use the power of numbers that a universal system provides. Right now, the lack of a paid leave system holds small businesses back and leaves people choosing between their well-being and their paycheck. An affordable, universal paid leave system will let employers like me give our employees the benefits we want to be able to provide and free us to keep looking for new opportunities to create jobs and serve our communities.



Donna Welch is the owner of Let's Meat on the Avenue, a butcher and specialty shop in Alexandria, VA.



Pregnancy and business: two areas to avoid uncertainty whenever possible. Eight and a half months pregnant and on the cusp of the holiday shopping season, I'm left making best guesses about my family and my retail store. This isn't ideal.

I'm a planner. Trained in analytics in the corporate world before starting my own jewelry and clothing boutique in the Mosaic District in Fairfax, in over five years as an entrepreneur I've honed my research, forecasting and analytical skills to help my business succeed. Because of this attention to detail, we've grown—steadily and consistently.

As my husband and I start our family, I'm worried that the growth we've nurtured in our business will slow or stop altogether while I'm caring for our newborn child. **Just when we need security the most, our finances will be thrown into doubt.**

I've taken what steps I can to ensure a smooth transition while I'm away from my store. I've expanded training and professional development for my staff, helping them learn the skills and gain the confidence needed to take on added responsibility in my absence. **I've increased their wages in anticipation of my leave and the extra workload they'll have.** I've also

offered a higher than usual holiday bonus for meeting our end of year goals. In addition to planning for staffing adjustments, I've altered our ordering with my leave in mind to make sure we have enough inventory on hand to make it through the holidays.

With so much up in the air and so much riding on a strong holiday season, I'm already planning an early return to part time hours at the store—I'm hoping to be able to come back a month after our child is born. But even this isn't a sure thing. Much depends on how the birth goes, how much I'll be able to rely on my husband and mother for support and how I'll feel four weeks after becoming a mom for the first time.

I can say a few things with certainty. **In an ideal world I wouldn't even be considering going back to work four weeks after giving birth.** And my husband wouldn't be using his sick days for a few weeks of paternity leave.

In an ideal world I would have the support to make the best decisions for my family, my child and my business. Access to paid leave would go a long way toward making those ideals a reality. It would give us greater financial security just at the time when big changes in our household are happening. And it would give me more flexibility in managing my business while I'm away, helping me better plan for my absence and removing much of the uncertainty I'm facing right now.

Starting a family should be a joyous time, not one filled with stress and doubt. But starting a family while running a small business without access to paid leave has meant finding ways to predict the unknowable. **A universal paid leave policy that includes small business owners would give us the support needed to navigate both parenthood and entrepreneurship and help sustain stronger families and businesses.**

Paid leave would give us greater financial security just at the time when big changes in our household are happening... and would give me more flexibility in managing my business.

In states with paid leave, businesses have reported high levels of satisfaction with the policy and little to no negative effects on cost or profitability.

Providing paid leave to our staff speaks to the values we've grown up with. But it's also an investment in our business.

Finding the right people to work in funeral services can be difficult. We need employees with strong interpersonal and emotional intelligence, staff members who can relate to people from all walks of life during some of the most trying moments in their lives. It's not easy work, and it can be draining.

Providing paid leave is one way we make sure we keep our great staff intact. We have employees who have been with us since just about the beginning. One has more than 50 years with the company, another more than 30. A third recently celebrated their 25th anniversary with us.

**And while we're glad to provide paid leave, it's a significant cost for us to bear as a small business.**

That's why we support a universal paid leave policy for Virginia, one that would cover all working Virginians, those at small businesses and large ones. **It would help lower costs for businesses like mine, allowing us to expand our services, hire more employees and increase wages and benefits.**

And while our family has made it a priority to provide paid leave, for many businesses, especially new and smaller ones, offering paid leave isn't financially viable. As things stand, many businesses are forced to scramble when an employee needs to take time away from work. Most can't afford to find thousands of dollars unexpectedly when an employee needs leave.



**A universal system puts this important benefit in reach for these businesses and their employees.**

Under the proposed bill, businesses and employees would contribute a couple of dollars each week to support a self-sustaining fund that would provide people with 70 percent of their income for up to twelve weeks when they welcome a new child or their doctors tell them they need time away from work to recover. It's common sense planning that business owners put into practice every day.

Eight states and the District of Columbia have passed similar laws. In those that have begun implementation, the funds have remained solvent. Some have even been able to cover expanded paid leave benefits. In states with paid leave, businesses have reported high levels of satisfaction with the policy and little to no negative effects on cost or profitability.

Every day at our business we witness the power of people caring for and supporting one another as they mourn their loved ones and celebrate their lives. A strong paid leave program will ensure that we can provide—and receive—the care support we need when we need to take time away from work.

These are the voices of Main Street Alliance small business owners. Across the country, small business owners are coming together to share their experiences with paid family and medical leave. Small business owners are working families, who support business practices and policies that boost the economy and reduce inequality.

A paid leave insurance program would make it affordable and accessible to small businesses, leveling the playing field between them and large corporations and increasing economic security for small business owners and their employees. Insights from these small business owners and additional follow up conversations, coupled with evidence and lessons learned from existing programs, have highlighted 10 program elements that should be part of any Virginia paid family and medical plan program.

### Coverage

Ensure maximum benefit of the program to small businesses:

- All business sizes and configurations covered, and all owners, self-employed people, and employees (whether part-time, full-time, or seasonal ) covered, with no carve-outs or opt-outs.
- Parental, family, and serious personal medical needs covered without gender distinction. Minimum 12 weeks leave.
- Inclusive, simple family definition to meet the needs of today's workforce.



Kelly Ferenc, owner of Bishop Boutique in Alexandria, VA speaks to the press during a recent small business tour to discuss paid family and medical leave.

## Cost

Responsible and self-sustaining funding to make leave affordable for businesses of all sizes:

- Cost shared between employers and employees.
- Maintain spending power of leave beneficiaries through robust wage replacement especially for lower-wage workers.
- Social insurance model, spreading costs across all businesses and business types and across all income level of employees and include a dedicated funding stream (that does not harm other essential programs.)

## Implementation & Administration

Designed to support employers and provide stability to businesses:

- Public administration of state program to maximize simplicity and ensure funding applied to benefits, not third-party profit.
- Extensive outreach and technical assistance for businesses to launch and address issues such as extended employee absence, and stability and predictability for employees as they return to work.
- Focus on ease of implementation for small business.
- Program sets a benefit floor, not a ceiling: businesses can enhance benefits set by state standards.









The Main Street Alliance works to provide small businesses a voice on the most pressing public policy issues. Our advocacy promotes vibrant businesses and healthy communities, and fosters leadership development of socially responsible business leaders.