



MASSACHUSETTS
HIGHTECHNOLOGYCOUNCIL

Dedicated to Growth... Committed to Action

January 30, 2018

Honorable Jason Lewis
Chairman, Joint Committee on Labor & Workforce Development
State House
Room 511B
Boston, MA
02133

Dear Chairman Lewis,

I am writing to express the Massachusetts High Technology Council's opposition to House Bill 4110, which would impose a paid family leave benefit mandate on Massachusetts employers.

The Council is the Commonwealth's oldest and only cross-sector association of CEO-level leaders of technology-focused organizations with a 40-year history of non-partisan advocacy in support of one overarching mission: To make Massachusetts the world's most attractive place in which to live and work, and in which to create, operate, and grow high technology businesses.

House Bill 4110 would impose \$500 million dollars in additional annual costs as well as significant operational burdens and compliance risks on Massachusetts employers, even those who already provide generous family and medical leave benefits. The proposal would impose a one-size-fits-all program on employers and employees, and would deny employers the ability to use innovative employee benefit policies and programs as a differentiator in the competition for talent. Employees in Massachusetts would also be forced to pay \$500 million in payroll taxes to support the mandate.

According to the National Conference of State Legislatures, only 4 states require paid family and medical leave. The current proposal would result in Massachusetts providing the longest duration of leave provided to employees at the highest cost to employers. Furthermore, Massachusetts law already requires employers to provide generous benefits to employees, including mandated sick leave pursuant to a ballot question approved by voters in 2014.

The proposal would also impose tens of millions of dollars in additional unsustainable additional costs each year on the Commonwealth, which would be required to pay the cost of the benefits for public employees. Cities and towns would have the ability to opt in to the program, adding millions of dollars to the potential public costs of the proposal.

The Council opposes the imposition of this additional employee benefit mandate and inflexible structure. Layering additional mandates on employers will make Massachusetts less competitive and

less attractive for continued business investment and job growth. Employers are best equipped to make decisions about what benefits they provide to their workers and employers should maintain the ability to use medical and family leave benefits as an important employee recruiting and retention differentiator and a mechanism to drive employee satisfaction and organizational success.

We respectfully urge you to reject any new, universal benefit mandates on employers; decline to impose any additional payroll taxes imposed on employers and employees; and avoid imposing significant and unsustainable additional public employee benefit costs on the Commonwealth.

If you or your staff have any questions or concerns, please do not hesitate to contact me. Thank you for your consideration.

Sincerely,



Mark J. Gallagher
Vice President, Policy & Government Relations
Mass. High Technology Council
mark@mhtc.org

Cc: Senate Members of the Joint Committee on
Labor and Workforce Development