



Opinion Poll

Small Businesses Support Paid Family Leave Programs

March 30, 2017

Small Business Majority

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Executive Summary

Small business owners know it makes good business sense to take care of their employees, as it's crucial to retaining a productive and talented workforce. But unfortunately many small businesses do not have the resources to offer robust benefits, like paid family and medical leave, which often puts them at a disadvantage when it comes to attracting and retaining employees. It's not surprising then that new scientific opinion polling found small businesses support the creation of publicly-administered family and medical leave insurance programs.

A national scientific opinion poll conducted February 8-13, 2017 for Small Business Majority by Lake Research Partners found a majority of small business owners and operators support paid family leave insurance pools, which provide employees with a portion of their wages for a limited number of weeks when the employee has a serious illness, has a new baby to care for or needs to take care of a seriously ill family member. A vast 70% of respondents support the Family and Medical Insurance Leave Act, or FAMILY Act, legislation that would establish a national paid family and medical leave insurance program funded by modest contributions from both employees and employer contributions. The program would ensure employees can receive up to 12 weeks of partial income when they need to take time off to recover from an illness or care for a new child or sick family member.

The survey found a majority of small businesses also support paid family and medical leave insurance programs set up at the state level that would provide employees with a portion of their wages for a limited number of weeks when the employee needs to take time to recover from a serious illness, has a new baby to care for or needs to care for a sick family member. Sixty-one percent support state paid leave programs funded by both employer and employee contributions, with each contributing approximately two-tenths of 1% of an employee's wage. Fifty-six percent support programs funded entirely by employee contributions—approximately two-fifths of 1% of an employee's wages.

Small businesses' support for these programs is not surprising when you look at the policies they've already incorporated into their business models. Many small businesses offer parental leave to allow employees to care for a new child: 26% offer maternity leave only and nearly 4 in 10 (37%) offer both maternity and paternity leave. One-third (34%) say they do not offer any type of parental leave. For those employers who do offer parental leave, the vast majority offer paid parental leave. Sixty-nine percent offer full or partial pay and 18% offer pay depending on the employee.

Additionally, a majority of small businesses have some type of policy, formal or informal, in place when it comes to family leave—time an employee would take to care for a family member with a serious illness or caregiving need. More than 7 in 10 (72%) small businesses have either a formal written policy, a consistent but not written policy or an informal policy offered on a case-by-case basis to provide family leave. Twenty-four percent do not offer family leave. Of those employers who do offer family leave, 61% offer full or partial pay and 22% offer pay depending on the employee.

This poll surveyed owners and operators of small businesses with 2-99 employees. The strong support of those surveyed, coupled with the fact that many small businesses already have formal or informal policies in place, makes it clear why small businesses support creating publicly-administered plans for paid leave. A national paid family and medical leave program would help more small businesses offer this benefit to their employees. Additionally, it would level the playing field for small businesses that are unable to offer family and medical leave benefits with their larger counterparts that have the resources to do so.

It's important to note the sample of small businesses was politically diverse. Of the 512 small business owners or operators polled by Lake Research Partners, 44% of respondents identified as Republican, 32% as Democrats and 16% as independent.

Main Findings

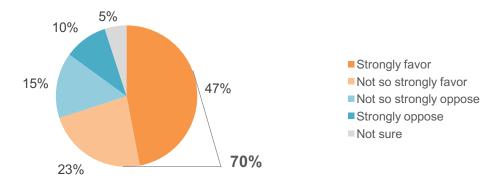
- Small employers believe it's important to establish a national paid family and medical leave program: While small businesses are supportive of a federal law allowing eligible workers to take unpaid family and medical leave, the vast majority (70%) believe it's important to establish a federal program to guarantee access to paid family and medical leave.
- Majority of small businesses support the FAMILY Act, legislation that would establish a national paid family and medical leave insurance program funded by employee and employer contributions to ensure men and women in the workforce can receive up to 12 weeks of partial income: 7 in 10 small business owners and operators say they support creating a family and medical leave insurance program funded by both employer and employee contributions. Nearly half (47%) say they strongly favor the legislation.
- Small employers support state-administered paid family and medical leave insurance programs: A majority of small businesses also support paid family and medical leave insurance programs set up at the state level that would provide employees with a portion of their wages for a limited number of weeks when the employee has a serious illness, has a new baby to care for or needs to care for a seriously ill family member. Sixty-one percent support state paid leave programs funded by both employer and employee contributions, with each contributing approximately two-tenths of 1% of an employee's wage. Fifty-six percent support program funded entirely by employee contributions—approximately two-fifths of 1% of an employee's wages.
- Majority of small businesses offer some sort of parental leave to allow employees to care for a new child: 26% offer maternity leave, and nearly 4 in 10 (37%) offer both maternity and paternity leave. Thirty-four percent say they do not offer any parental leave. For those employers who do offer parental leave, the vast majority offer paid parental leave. Sixty-nine percent offer full or partial pay and 18% offer pay depending on the employee. Only 13% do not offer any paid parental leave.
- 7 in 10 small businesses have some type of policy—formal or informal—in place when it comes to family leave—time an employee would take to care for a family member with a serious illness or caregiving need: More than 7 in 10 (72%) small businesses have either a formal written policy, a consistent but not written policy or an informal policy offered on a case-by-case basis to provide family leave. Twenty-four percent do not offer family leave. Of those employers who do offer family leave, 61% offer full or partial pay and 22% offer pay depending on the employee. Eighteen percent do not offer any paid family leave.
- **Small employers are politically diverse:** 44% of respondents identified as Republican, 32% as Democrats and 16% as independent.

Small Businesses Support Creating Paid Family & Medical Leave Insurance Programs

Small businesses want to offer family and medical leave benefits in order to support their employees in their time of need, but many don't have the resources to offer paid leave benefits. It's not surprising then that a vast 70% of survey respondents support the Family and Medical Insurance Leave Act, or FAMILY Act, legislation that would establish a national paid family and medical leave insurance program funded by employee and employer contributions that would allow workers to receive up to 12 weeks of partial income when they take time off to care for a new child or a sick family member. Similarly, 70% also believe it's important to establish a federal program to guarantee access to paid family and medical leave, with more than 4 in 10 (42%) who say it's very important.

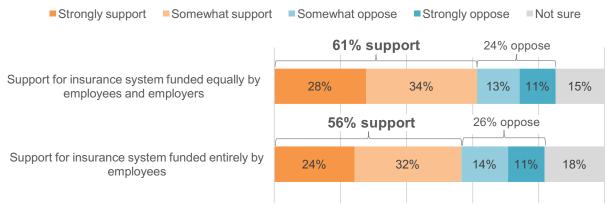
Figure 1: Vast majority of small businesses support legislation establishing a national paid family and medical leave insurance program

As you may know, a new Family and Medical Insurance Leave (FAMILY) Act was recently introduced in Congress to establish a national PAID family and medical leave insurance program for both men and women to ensure that American workers can receive up to 12 weeks of partial income when they take time off. The FAMILY Act establishes a self-sustaining national insurance fund paid through employee and employer contributions. Would you say you generally FAVOR or OPPOSE the Family and Medical Insurance Leave (FAMILY) Act?



A majority of small businesses also support paid family and medical leave insurance pools set up at the state level that would provide employees with a portion of their wages for a limited number of weeks when the employee has a serious illness, has a new baby to care for or needs to care for a seriously ill family member. Sixty-one percent support state paid leave programs funded by both employer and employee contributions, with each contributing approximately two-tenths of 1% of an employee's wage. Fifty-six percent support programs funded entirely by employee contributions—approximately two-fifths of 1% of an employee's wages.

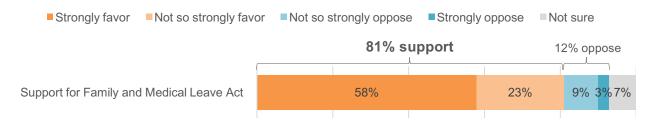
Figure 2: Small businesses support state-administered paid family leave insurance programs



Employers Support Additional Family Leave Policies

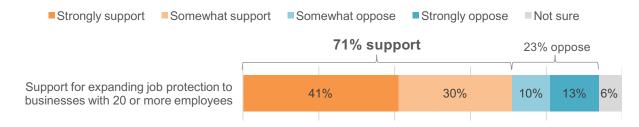
Small businesses continue to show strong support for the federal Family and Medical Leave Act, which was signed into law 24 years ago and allows eligible employees to take a limited amount of unpaid, job-protected leave for specified family and medical reasons like a serious personal illness, the birth or adoption of a new child or to care for a seriously ill family member. The law applies to firms with 50 or more employees. More than 8 in 10 small businesses (81%) support the law, with nearly 6 in 10 (58%) who strongly favor it.

Figure 3: By 4 to 1 ratio, small businesses support Family and Medical Leave Act



What's more, small businesses strongly support extending job protection provided under federal law for unpaid family and medical leave to more employees. Seventy-one percent support expanding job protection to businesses with 20 or more employees.

Figure 4: Vast majority of small businesses support expanding job protection for family and medical leave to businesses with 20 or more employees



Majority of Small Businesses Already Offer Some Type of Family Leave

Small businesses' support for paid leave insurance programs is not surprising when you look at the policies that they've already incorporated into their business models. Many small businesses offer parental leave to allow employees to care for a new child. Twenty-six percent offer maternity leave only, and nearly 4 in 10 (37%) offer both maternity and paternity leave. One-third (34%) say they do not offer any type of parental leave. For those employers who do offer parental leave, the vast majority offer **paid** parental leave. Sixty-nine percent offer full or partial pay and 18% offer pay depending on the employee. Only 13% of those with a policy do not offer any paid parental leave.

Additionally, a majority of small businesses have some type of policy, formal or informal, in place when it comes to family leave—time an employee would take to care for a family member with a serious illness or caregiving need. More than 7 in 10 (72%) small businesses have either a formal written policy, a consistent but not written policy or an informal policy offered on a case-by-case basis to provide family leave. Twenty-four percent do not offer family leave. Of those employers who do offer family leave, 61% offer full or partial pay and 22% offer pay depending on the employee. Eighteen percent do not offer any paid family leave.

Figure 5: Majority of small businesses offer parental leave and/or have a formal or informal policy for family leave

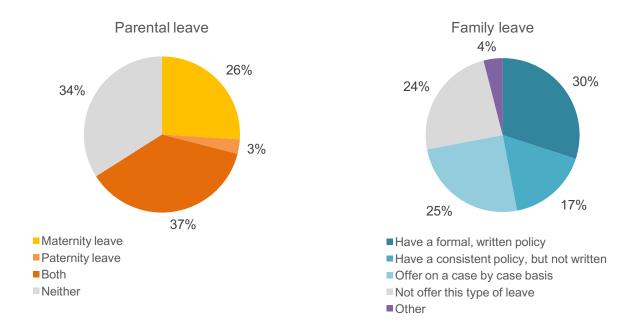
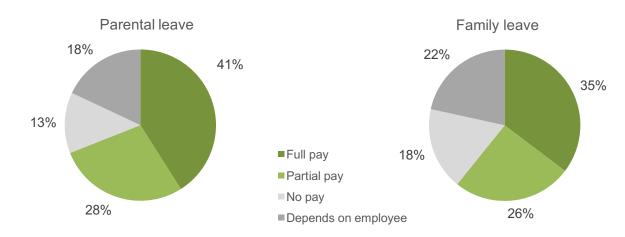


Figure 6: Majority of those with a policy offer full or partial pay



Small Businesses Support Paid Leave Because It's Good for Employees, Families

Small employers' support for a family and medical leave insurance program is likely driven by their belief that this kind of policy helps employees face family emergencies and difficult situations without the fear of losing their income or job security. Considering small employers often think of their employees as family, it's no surprise they support programs that would help them gain financial protection during times of need.

The survey found nearly one-third (32%) of small employers said they favor the FAMILY Act because "family is important and it helps families during emergencies." Nearly one in five (18%) are in favor of the legislation because it provides financial and job security.

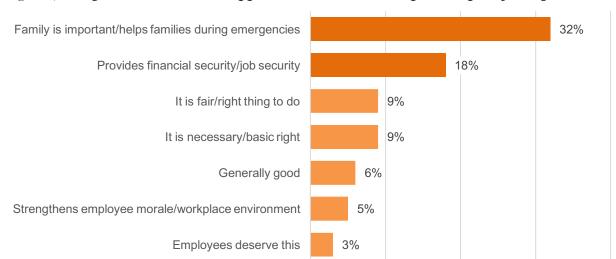
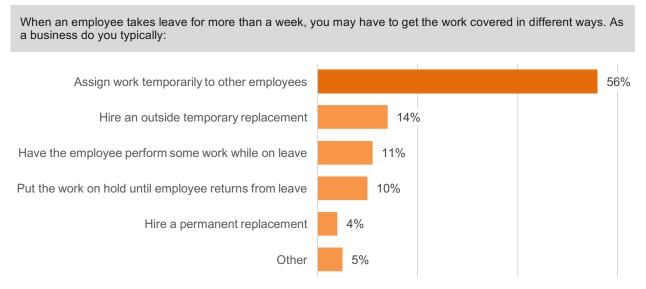


Figure 7: Why small businesses support the FAMILY Act to provide paid family leave

How Small Businesses Handle the Workload of Employees on Leave

Small businesses understand the necessity for their employees to have extended-leave medical options and policies at their disposal should they need to take them. This does not lead to a drastic decline in productivity, however. Fifty-six percent of small businesses say they simply reassign an employee's workload to another employee temporarily. Only 14% say they hire some sort of replacement.

Figure 8: How small businesses handle workload when an employee takes extended time off



Conclusion

Small employers believe it's important for employees who need to balance their work and family responsibilities to have reasonable options for doing so—options that also meet the needs of employers. Small businesses' support for creating publicly-administered family and medical leave insurance programs is proof of this. These insurance programs would provide employees with a portion of their wages for a limited number of weeks when the employee has a serious illness, a new child or a gravely ill family member to care for.

While a significant number of small businesses already have formal or informal policies for family and medical leave in place, it's important to note that many small businesses are unable to provide paid benefits for extended leave. This puts small businesses at a disadvantage when hiring and retaining talented employees, as larger companies often have the resources to offer robust paid family and medical leave policies. With that in mind, it's easy to understand why small businesses support a policy that would create an insurance program that will help take care of their employees and their bottom lines.

Methodology

This poll reflects an Internet survey of 512 small business owners and operators nationwide with 2-99 employees. The poll was conducted by Lake Research Partners for Small Business Majority from February 8-13, 2017. The margin of error is +/-4.4%.

Poll Toplines

Small Business Majority
Family and Medical Leave Survey
512 Small Business Owners & Operators Nationwide (Online)
2-99 Employees
February 8-13, 2017

N	1=	TOTAL 512	2-4 EMPL 147	5-19 EMPL 167	20-99 EMPL 198
Q1. [T] Please indicate your gender.					
Male	••••	64	55	60	74
Female	•••••	36	45	40	26
Q2. What is your race - white, black/African American, La American, or some other race?	atir	no/Hispani	c, Asian/Pa	cific Islande	r, Native
White/Caucasian		76	75	78	76
Black/African American		···· 7	7	7	7
Latino/Hispanic		10	10	9	11
Asian/Pacific Islander	••••	4	3	4	5
Native American		1	1	1	1
Other race		1	1	1	1
Mixed race	••••	1	3	0	0
Q3. Just to confirm, are you the owner of a for-profit smathe operations of the business and employees?	ıll b	ousiness, or	, if not the o	owner, do yo	u manage
Owner		61	78	59	50
Non-owner manager	••••	39	22	41	50
Q4. [T] Approximately how many people work 30 or mor yourself? Please don't include contractors.	e h	ours per we	eek at your o	company, inc	cluding
2 – 4 employees	••••	29	100	0	0
5 – 9 employees	•••••	17	0	52	0
10 – 19 employees	••••	16	0	48	0
20 – 49 employees	••••	20	0	0	51
50 – 99 employees	••••	19	0	0	49

TOTAL N= 512	2-4 EMPL 147	5-19 EMPL 167	20-99 EMPL 198
Q5. [T] What is the zip code of your business?			
New England5	9	5	2
Middle Atlantic14	11	15	16
East North Central14	11	10	19
West North Central	7	11	12
South Atlantic	22	15	15
East South Central	9	4	3
West South Central	12	15	6
Mountain8	6	6	11
Pacific16	13	18	16
Q6. Which of the following categories best describes your business?			
Retail13	18	13	9
Construction 10	7	13	11
Medical or legal services	5	12	10
Manufacturing9	2	5	18
Information Technology8	4	7	11
Restaurant5	2	6	7
Real Estate4	6	5	2
Other non-retail services	24	15	14
Other - Please Specify [OPEN END]23	31	22	17
Not sure1	0	1	1
Q7. [T] And just to make sure we have a representative sample, could y following descriptions best fit your company? Please check all that appl		lentify which	of the
Minority-Owned Business18	15	16	22
Woman-Owned Business24	33	23	19
Veteran-Owned Business	12	9	11
None of the above 52	48	55	53

		2-4	5-19	20-99
-	ΓΟΤΑL	EMPL	EMPL	EMPL
N=	512	147	167	198

Q8. [T*] As you may know, the Family and Medical Leave (FMLA) Act is a federal law that allows eligible employees of covered employers to take a limited amount of UNPAID, JOB-PROTECTED leave for specified family and medical reasons like a serious personal illness, the birth or adoption of a child, to care for a seriously ill family member, or for qualifying reasons arising out of a family member being an active member of the military. Would you say you generally FAVOR or OPPOSE the Family and Medical Leave Act?

Strongly favor	51	60	62
Not so strongly favor	23	24	21
Not so strongly oppose	10	9	8
Strongly oppose	2	2	4
Not sure	13	5	5
Favor81	75	83	84
Oppose12	12	11	12

Q9. Although current state and federal law allows many workers to take 12 weeks of UNPAID leave to care for themselves and their family, some states have established programs to provide workers with PAY during these leaves. How important is it to establish a federal program to guarantee access to PAID family and medical leave – very important, somewhat important, not very important, or not important at all?

Very important	33	42	48
Somewhat important	31	30	25
Not very important15	14	13	17
Not at all important	15	9	7
Not sure5	7	5	4
Important70	64	72	72
Not important25	29	22	24

Q10. As you may know, a new Family and Medical Insurance Leave (FAMILY) Act was recently introduced in Congress to establish a national PAID family and medical leave insurance program for both men and women to ensure that American workers can receive up to 12 weeks of partial income when they take time off. The FAMILY Act establishes a self-sustaining national insurance fund paid through employee and employer contributions. Would you say you generally FAVOR or OPPOSE the Family and Medical Insurance Leave (FAMILY) Act?

Strongly favor	39	49	52
Not so strongly favor	20	25	22
Not so strongly oppose15	21	13	12
Strongly oppose	12	8	10
Not sure5	8	5	4
Favor	59	74	74
Oppose	33	21	22

	TOTAL N= 512	2-4 EMPL 147	5-19 EMPL 167	20-99 EMPL 198
[IF FAVOR OR OPPOSE ON Q10 options 1-4:]				
Q11. Briefly, why do you FAVOR/OPPOSE the FAMILY	Act to provide j	oaid family	leave?	
Total				
Family is important/helps families during emergencies.	23	19	21	27
Burden on employers and increased costs/not				
employer's responsibility	13	14	14	11
Provides financial security/job security	13	8	13	15
It is fair/right thing to do	7	8	6	7
It is necessary/basic right	6	7	7	6
Generally good	5	5	5	6
Too much government regulation/intervention	5	7	4	4
Strengthens employee morale/workplace environment .	3	4	5	1
Potential for abuse	2	6	1	1
Employees deserve this	2	1	3	2
Generally bad	2	1	1	3
Other	15	18	15	13
Not sure	4	2	4	4
Favor				
Family is important/helps families during emergencies.	32	33	28	36
Provides financial security/job security	18	14	17	21
It is fair/right thing to do	9	13	8	8
It is necessary/basic right	9	11	10	8
Generally good	6	5	6	8
Strengthens employee morale/workplace environment.	5	7	7	2
Employees deserve this	3	1	5	3
Burden on employers and increased costs/not				
employer's responsibility	2	2	2	1
Too much government regulation/intervention	1	2	1	1
Other	10	8	12	10
Not sure	3	3	5	2
Oppose				
Burden on employers and increased costs/not				
employer's responsibility		37	60	45
Too much government regulation/intervention		18	16	17
Potential for abuse		18	5	1
Generally bad	_	1	5	11
Generally good		6	5	1
It is fair/right thing to do		0	2	5
Employees deserve this	1	1	0	0
Other	11	17	5	10
Not sure	5	2	2	10

	2-4	5-19	20-99
TOTAL	EMPL	EMPL	EMPL
N= 512	147	167	198

Q12. Currently, federal laws protect the job status of employees who take family or medical leave from employers with more than 50 employees. Would you SUPPORT or OPPOSE expanding job protection to businesses with 20 or more employees?

Strongly support41	38	39	46
Somewhat support30	31	32	27
Somewhat oppose	9	9	11
Strongly oppose13	15	14	11
Not sure	8	6	5
Support	68	71	73
Oppose	24	23	22

Q13. Now thinking about your business, do you offer maternity leave, paternity leave, both, or neither? [IF NEITHER, SKIP TO Q15]

Maternity leave	16	20	38
Paternity leave	2	3	4
Both	30	36	43
Neither34	53	41	15

Q14. [T] Specifically for parental leave, do you now offer full pay to employees, partial pay, no pay, or does it depend on the employee?

Full pay41	37	34	47
Partial pay28	24	37	24
No pay13	10	10	16
Depends on employee18	29	19	13

Q15. [T*] The next question is just about family leave, meaning time an employee would take to care for a family member with a serious illness or caregiving need (such as if a spouse has cancer, or an aging relative who needs to be moved to a nursing home). It does not refer to sick days, parental leave, personal days or vacation days. As a business owner, do you: [IF DO NOT OFFER THIS TYPE OF LEAVE, SKIP TO Q17]

Have a formal, written policy to provide family leave30	21	24	42
Have a consistent policy, but not written, to			
provide family leave17	20	16	17
Offer family leave to some employees on a case by case			
basis, but no formal policy25	24	29	21
Not offer this type of leave24	27	28	19
Other - Please specify 4	7	3	1

		2-4	5-19	20-99
,	TOTAL	EMPL	EMPL	EMPL
N=	512	147	167	198

Q16. [T*] Specifically for family leave (leave to care for a family member with a non-routine illness such as cancer or other serious caregiving need), do you offer full pay to employees, partial pay, no pay or does it depend on the employee?

Full pay	29	35	38
Partial pay26	18	25	31
No pay18	25	14	16
Depends on employee22	28	26	15

[Some businesses have lots and others have little experience with employees who actually take time to care for a new child, to care for a seriously ill family member, or to address their own serious health condition.]

Q17. [T] Have you had employees who have taken extended (more than a week) paid or unpaid leave to care for a family member with a serious illness, or have you not?

Many employees each year12	5	6	22
A handful over the years	17	33	49
At least one person	18	28	15
Never	60	33	14

Q18. [T] When an employee takes leave for more than a week, you may have to get the work covered in different ways. As a business do you typically (if more than one, choose the approach you have used most often):

Assign work temporarily to other employees56	49	60	58
Hire an outside temporary replacement14	14	14	14
Hire a permanent replacement4	4	2	6
Put the work on hold until the employee returns from leave 10	14	8	9
Have the employee perform some work while on leave11	8	12	12
Other - Please specify 5	11	4	2

Q19. There are proposals to set up publicly administered family and medical leave insurance pools at the state level. Typically, these insurance programs would provide employees with a portion of their wages for a limited number of weeks when the employee has a serious illness, has a new baby to care for, or needs to care for a seriously ill family member. The insurance premiums would be paid with payroll contributions shared by employees and employers — each contributing approximately two-tenths of 1% of an employee's wages. Would you support or oppose such an insurance system, funded equally by employees and employers, or are you not sure?

Strongly support	24	23	34
Somewhat support	27	36	36
Somewhat oppose13	15	17	10
Strongly oppose	11	11	10
Not sure15	23	14	9
Support61	52	59	70
Oppose24	26	27	20

	2-4	5-19	20-99
TOTAL	EMPL	EMPL	EMPL
N= 512	147	167	198

Q20. There are other proposals similar to the one just mentioned to set up publicly administered family and medical leave insurance pools at the state level. Under this version of the proposal, the insurance premiums are paid with payroll contributions by employees—approximately two-fifths of 1% of an employee's wages. Would you support or oppose such an insurance system, funded entirely by employees, or are you not sure?

Strongly support	4 24	18	30
Somewhat support3	2 22	35	37
Somewhat oppose1	4 16	14	14
Strongly oppose	.1 14	13	7
Not sure1	8 25	21	11
Support5	6 45	53	67
Oppose2	6 30	26	22

These few remaining questions are for statistical purposes only.

Q21. [T*] Generally speaking, do you think of yourself as a Republican, a Democrat, an independent, or something else?

Strong Democrat17	16	14	21
Not strong Democrat	7	12	8
Lean Democrat	4	5	8
Democrat	28	30	37
Independent16	19	16	14
Republican44	43	45	43
Lean Republican	7	10	8
Not strong Republican16	15	17	15
Strong Republican	21	19	20
Other1	3	1	0
Not sure	3	3	2
Prefer not to answer	4	4	3

TOTAL	2-4 EMPL	5-19 EMPL	20-99 EMPL
N= 512	147	167	198
Q22. [T] What is your age?			
18-24	1	4	3
25-295	3	6	7
30-349	8	12	7
35-3910	7	8	14
40-4412	12	12	11
45-4911	7	13	13
50-5412	11	11	14
55-5917	17	18	16
60-64	14	11	7
65-69	10	4	7
70-74	7	0	2
75 and over1	2	1	1
Q23. For statistical purposes only, which of these categories best describusiness in 2016?	ribes the gro	ss revenue o	f your
Less than \$100,00018	34	16	9
\$100,000 to under \$250,00019	31	21	7
\$250,000 to under \$500,00013	14	12	12
\$500,000 to under \$1 million12	10	19	9
\$1 million to under \$2 million	2	14	14
\$2 million or more	3	15	43
Not sure 5	6	4	6
Q24. [T] For how many years have you been the owner or business ma	anager of voi	ır current bu	ısiness?
Less than 1 year	•		2
1-2 years	18	10	7
3-5 years	16	26	26
6-10 years	17	24	26
11-20 years	22	18	19
More than 20 years	22	19	20
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