



TO: The Honorable Members of the PA House Labor & Industry Committee
FROM: Alex Halper, VP, Government Affairs
DATE: June 6, 2023
RE: Oppose H.B. 181 – Paid leave entitlement program

On behalf of the PA Chamber, I urge you to oppose H.B. 181 to create a new statewide paid leave entitlement program, which the Committee is scheduled to consider today. We appreciate the intent but have concerns with many aspects of this bill and suggest more deliberative consideration of legislation of this magnitude.

H.B. 181 would assess a new payroll tax on Pennsylvania workers – equivalent to a roughly 20 percent increase in the Personal Income Tax – to pay wage benefits for as much as 20 weeks per individual, per year. The bill provides for automatic annual tax increases that would not require legislative input or approval.

This legislation imposes significant costs on Pennsylvanians, as well as costs and administrative challenges on every Pennsylvania employer, who would be prohibited from continuing their own leave policies that benefit their people while accommodating their own unique staffing requirements.

Additional concerns with this bill are numerous including a lack of safeguards to avoid abuse, exposing employers to legal liability, and employees stacking this new state leave entitlement with existing federal and local mandatory leave requirements.

We urge you to hold off consideration of this bill and instead take the time and put in the work to solicit and incorporate feedback from stakeholders, including employers expected to administer and operate under this program. Please contact Alex Halper at ahalper@pachamber.org or 717-645-8730 with questions or to discuss.