



TO: The Honorable Members of the PA Senate Labor & Industry Committee
FROM: Alex Halper, SVP, Government Affairs
DATE: June 10, 2024
RE: Oppose S.B. 580 – New tax and paid leave entitlement program

The PA Chamber urges you to oppose S.B. 580 to create a new statewide paid leave entitlement program, which the Committee is scheduled to consider tomorrow. We appreciate the intent but have serious concerns with many aspects of this bill.

S.B. 580 would assess a new multi-billion-dollar payroll tax on Pennsylvanians to pay wages for individuals to take leave of as much as 20 weeks per year. The bill allows the Department of Labor & Industry to increase taxes without legislative input or approval.

This legislation imposes direct and significant costs on Pennsylvanians; as well as additional indirect costs and administrative challenges on all employers, including small businesses, who would be prohibited from maintaining their own leave policies that benefit their people while accommodating their own unique staffing requirements. The bill provides a “private option”, but the requirements are so prescriptive and administratively burdensome, it is unlikely to be functional or practical for employers to utilize.

Additional concerns with this bill are numerous including a new private right of action exposing employers to frivolous lawsuits, a lack of safeguards to avoid abuse, the ability to stack this new state leave entitlement with existing federal programs and local mandatory leave ordinances, among other issues.

We urge you to hold consideration of this bill and instead listen to and work with 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.