

Thank you to Chairwoman Maloney, Ranking Member Jordan, and members of the House Oversight and Reform Committee for having me here today.

My name is Aaron Seyedian. I am a member of the Main Street Alliance and the founder of Well-Paid Maids, a living-wage home cleaning company that operates in the Washington, DC and Boston metropolitan areas.

All of our employees earn at least \$17 per hour and receive a full benefits package on their first day of employment. This benefits package includes 22 paid days off per year; health, dental, and vision insurance; 100% employer-paid commuting costs; and 100% employer-paid short-term disability insurance. Unlike many cleaning companies, we only hire W-2 employees, not independent contractors, meaning that all our employees receive unemployment insurance, workers' compensation insurance, and overtime eligibility.

By offering consumers an ethical alternative in an industry rampant with anti-worker practices, we hope to help our workers by creating good-paying jobs with great benefits. At the same time, we aim to help all workers by bolstering the case for policies like a minimum wage that is a living wage, paid sick days, and – the subject of today's hearing – paid family and medical leave.

I am very eager to see paid family and medical leave enacted at the federal level, and as a small business owner I can tell you that the sky is not going to fall on employers if a federal paid leave program is put in place. Based on my business experience, I believe that paid leave will be not only affordable for small businesses, it will be extremely beneficial for them.

First, on the subject of cost, I am skeptical of any employer who would claim that paying into a paid leave program would threaten the viability of their business or force them to lay off employees. My company is currently participating in the ramp-up periods for the Massachusetts and District of Columbia paid family and medical leave programs. DC's program is the costlier one and it requires a payroll tax of only 0.62% of wages paid. For my business, that works out to about \$20 per month per employee. Any employer that cannot afford such a negligible cost does not have a viable business.

Furthermore, as someone who provides short-term disability insurance to his employees, I can tell you that the state and local programs in which we are currently participating will offer comparable coverage to what a small business can obtain in the private market but at nearly one-third of the cost. It's obvious why; by running this insurance program as a public good without profits to extract, the costs of providing it go down. In addition to the reduced cost, these state and local programs provide for family leave, something that I am unable to obtain for my employees through private insurance.

I cannot wait to cancel our private short-term disability insurance policies once the DC and MA programs start allowing employees to apply for benefits and I know other small business owners feel the same way. A Main Street Alliance survey of 1,700 small business owners found that 65% supported paid family and medical leave, with 79% identifying a social insurance program – not a tax credit – as what they need most to add this benefit.¹

In addition to being affordable, I believe that providing paid family and medical leave at the federal level will be extremely beneficial to all businesses. In my own business, I have reaped tremendous gains by

¹ [MSA PFML Report - Phase 1 v3.pdf](#)

offering the benefits I mentioned earlier, including short-term disability insurance, which we currently provide until the DC and MA paid leave programs start paying out claims.

In the cleaning industry, the typical labor model is to pay people as little as possible and offer few to no benefits. My company takes the exact opposite approach. We offer the best compensation package in every market we operate in, and because of that I know that if you take care of your employees, they take care of you.

A big reason our employees are happy, hardworking, and dependable is because our benefits package acknowledges the reality of everyday life – people get sick, have injuries, have babies, and need vacations. By accommodating these facts of life with benefits that recognize them, our employees know that we have their backs. In turn, they offer better service to our customers and stay with the firm longer than they otherwise would. Our experience is not a fluke. Multiple studies of corporate and state paid leave programs show benefits such as increased employee retention, satisfaction, and productivity², as well as higher profits.³

This coming year, we have two employees who will use our short-term disability insurance for maternity leave. By providing paid medical leave in this fashion, these employees will have the time that they need to rest, recover, and spend time bonding with their newborns. And while we don't have any employee injuries or illnesses planned, we know that they are inevitable. And I believe our employees work harder and rest easier knowing that they will have a safety net to fall back on when bad things happen.

In closing, I am proud to be a business owner coming in to speak in support of paid family and medical leave, and I am happy to articulate it in business terms. Based on the structure of existing state and local programs, it won't cost businesses much at all and it will generate positive outcomes for employers, employees, consumers, and the economy.

Ultimately, however, I think the crucial argument for a national paid family and medical leave program is that it's the right thing to do. Too often, we reduce everything to the logic of the market, and my presence here as a small business owner offering testimony is part of that. But paid family and medical leave is more than an employment issue.

I believe that how we decide to support each other when the worst happens is a test of national character. I believe that we as Americans need to come to terms with the fact that, currently, our policies pretend that it's normal for people to fall into avoidable financial ruin when they become ill, and that it's acceptable for someone to return to work two weeks – or even sooner – after having a baby.

Whether or not we use policy to ensure that people can take time off to be with their newborn children or care for a sick spouse is, I believe, a moral choice, and I hope that Congress will soon make the right choice. Thank you for the opportunity to testify. I look forward to answering your questions.

² [human-resources-people-organization-why-paid-family-leave-is-good-business.aspx](#)

³ [panorama_asbc - business impacts of paid leave1.pdf](#)