



January 10, 2025

The Honorable Chrissy Houlahan
U.S. House of Representatives
1727 Longworth House Office
Washington, DC 20515

The Honorable Stephanie Bice
U.S. House of Representatives
2437 Rayburn House Office Building
Washington, DC 20515

Submitted electronically via email to PaidLeave.Feedback@mail.house.gov

RE: House Bipartisan Paid Leave Working Group to Request Input on Paid Family Leave Public-Private Partnerships Act and Interstate Paid Leave Action Network Act

To Whom It May Concern,

As the trusted authority on all things work, [SHRM](#) is the foremost expert, researcher, advocate, and thought leader on issues and innovations impacting today's evolving workplaces. With nearly 340,000 members in 180 countries, SHRM touches the lives of more than 362 million workers and their families globally. SHRM's membership of HR professionals and business executives sits at the intersection of all things work, workers, and the workplace, helping to set positive collaboration and workplace cultures where workers and employers thrive together. As such, SHRM welcomes the opportunity to respectfully respond to the House bipartisan Congressional working group's ("Group" or "Congressional Paid Leave Group") request for input on the two discussion drafts released December 17: the Paid Family Leave Public-Private Partnerships Act ("Public-Private Partnerships Act") and the Interstate Paid Leave Action Network Act ("I-PLAN Act") (collectively "Working Text"). SHRM respectfully offers the following recommendations to the Congressional Paid Leave Group.

I. Introduction

SHRM is committed to advancing policies that empower people and workplaces by enhancing HR practices and maximizing human potential. Our vision is to build a world of work that works for all. HR professionals and executives involved in hiring, benefits design, and legal compliance can provide valuable insights on the need for regulatory clarity and consistency in paid leave policy, especially for multi-state employers designing uniform, comprehensive benefit packages. Thus, SHRM's involvement extends beyond theoretical recommendations and into policy-driven best practice recommendations.

Outside of policy work, SHRM has a robust Thought Leadership department, which is committed to advancing the HR profession by providing data-based insights and recommendations at the intersection of people and work. The intended purpose of our research is to advance business performance and improve the employee experience in organizations. As such, every year, SHRM conducts a comprehensive benefits survey to capture emerging trends in the popularity and prevalence of various employer-sponsored benefits. Building on nearly 30 years of employee benefits research, this annual survey captures the

prevalence of various employee benefits and perks organizations provide. Additionally, SHRM's HR Knowledge Advisors offer guidance, real-life personal and professional experiences, and resources to assist our members with their HR-related inquiries.

As the leading resource for HR professionals, SHRM possesses a wealth of data and expertise on employee benefits, leave policies, and workforce trends. SHRM is prepared to share its expertise with the Congressional Paid Leave Group, serving as a resource in developing effective paid leave policies for both employers and employees. SHRM's comment focuses on the three needs that the Working Text aims to address: the need for a national standard; the need to lean into existing structures and account for other types of caregiving; and the need for continued public-private partnerships.

II. Need for a National Standard

Leave benefits are here to stay, as SHRM's survey found they are among the top three most important offerings according to employers. Organizations are staying ahead of the curve by ensuring they provide various forms of time off that prioritize well-being and family care. However, employers with multistate or nationwide operations are faced with a complicated maze of inconsistent and burdensome Paid Family and Medical Leave (PFML) programs. The current mandatory PFML patchwork includes 13 states, plus Washington, D.C.,¹ and is seemingly in a constant state of growth and change. The constantly shifting landscape is a major reason the state PFML patchwork is so difficult to navigate.

Another core reason is that each mandatory PFML program consists of more than 30 substantive conditions, many of which have additional layers in terms of definitions and administrative standards, and these conditions often deviate from law to law. As a result, the need for some sort of connective tissue to bind these programs and to work together to create a central language is paramount. That is why SHRM supports the I-PLAN Act mandating the production of an interstate agreement that contains a single policy standard and single administrative standard with respect to all participating states, as well as a single process to determine primary state programs for those who have lived and worked across different states. Taking each of the I-PLAN's stated goals:

a. Policy Standard

SHRM recommends adding a subsection (I) "Qualifying Reasons," under the Policy Standard in Section 2203(b)(1) section as the referenced floor to join the I-PLAN may not capture the breadth of leave requests that will come up as the "State Focal" addresses the policy standard. Separate from "Family Members,"

¹ This count does not include other related layers of the PFML patchwork, namely state laws involving standalone temporary disability insurance benefits, voluntary PFML programs, and states that formally recognize family leave as a class of insurance. Temporary disability insurance benefits, which can also be thought of as "paid medical leave," exist in five states—California, Hawaii, New Jersey, New York and Rhode Island. Only Hawaii is not included in the list of 13 states, plus Washington, D.C., noted above. The latter two groups—voluntary PFML programs and states where family leave is a class of insurance—have blossomed into their own parts of the patchwork over the last two years. If these various programs were included in the state PFML patchwork count, they would bring the count to 23 programs.

which is included as Policy Standard subsection (E), state PFML programs differ in their types of leave offerings – e.g., safe leave, bereavement leave, public health emergency leave, certain pregnancy-related considerations, or leave to address certain military family needs – often with different leave entitlements. Although the I-PLAN Act addresses the three most familiar PFML law qualifying absences – bonding with a new child, an employee’s own serious health condition, and caring for a family member with a serious health condition – leaving “Qualifying Reasons” off the table for the Policy Standard would likely leave a big question unanswered, namely how does I-PLAN handle existing, but less common qualifying absences under state PFML laws. Beyond that addition, SHRM believes that the prescribed eight categories capture much of the nuance within the roughly 30 substantive conditions and commends the Congressional Paid Leave Working Group.

a. Administrative Standard

SHRM believes in the goal to “[c]reate a single administrative standard with respect to all participating States to facilitate easier compliance with and understanding of paid leave programs across States,” as we understand that competing leave requirements often create compliance challenges for multi-state employers. Without this sort of clarifying language on how to comply across state programs, certain organizations may even lessen some benefit offerings to avoid compliance issues.

One clarifying point SHRM would offer would be, under subsection (K), adding “if a State program permits employers to elect to provide employer plans, facilitating such election, including by creating [**a single**] equivalency standard to determine whether the maximum monetary value of an employer plan...” SHRM is not scrutinizing unnecessarily, but only ensuring that the I-PLAN is presented with the most clarity. I-PLAN Act 2203(b)(2)(K) states that the I-PLAN interstate agreement’s administrative standard “shall” accomplish, among other notable criteria and aims, the creation of an equivalency standard that facilitates the election of a compliant employer plan in participating PFML states by determining whether the maximum monetary value of an employer plan for the average weekly wage of workers in the state for total covered establishments in all industries is greater than or equal to the maximum monetary value of a state program. Given this admirable and vital aim – facilitating the election of employer plans in participating PFML states via an equivalency standard – the equivalency standard provision in the Act should promote consistency and singularity rather than variations and individualized formulas from state to state. Just clarifying that subsection (K) would only require a single employer plan for consenting I-PLAN participants with employer plans would avoid unintended consequences.

b. Coordination of Benefits Across States

SHRM supports efforts to coordinate benefits across states, ensuring workers receive their entitled benefits without administrative burdens or gaps in coverage. In today’s mobile and remote workforce and multistate business environment, employees often work across state lines, increasing the need for streamlined processes. The need for such a process is especially important for small and medium-sized employers, who in recent years have become multistate employers for the first time due to the prevalence

of mobile and remote work. Interstate compacts and collaboration can reduce inconsistencies in state leave programs, simplifying HR operations and ensuring employees access the benefits they need without confusion or missed entitlements.

SHRM's State Affairs Team has long advocated for and engaged with our state affiliates to promote Interstate Compacts for Mental Health and Health Care Access. SHRM will continue to support policies that encourage uniformity and reciprocity and engage throughout our membership in helping to build a future where organizations can focus more on strategic initiatives and less on navigating regulatory complexities, contributing to a stronger, more resilient workforce.

III. Need to lean into existing structures and account for other types of caregiving

SHRM recognizes the critical need to harmonize the diverse paid leave programs across states. To support this effort, we believe that the federal guidance and I-PLAN text, which will serve as the foundation for these initiatives, should emphasize processes already familiar to states and organizations while aligning with the practical realities of existing benefit offerings. In support of this goal, SHRM offers the following suggestions:

- a. Whenever appropriate, the Working Text should look to lean into existing structures.

SHRM notes the multiple nods to the Family Medical Leave Act of 1993 (FMLA), both in the I-PLAN and the Public-Private Partnerships Act. While most states go beyond the FMLA, it is the federal standard bearer, and SHRM has found that employers prefer leaning into established, familiar structures. As a result, it is a natural fit for a connective thread at this time.

SHRM would like to draw attention to “(C) Intermittent and reduced schedule leave” under the “Policy Standard” and express support for its inclusion within the eight categories listed. SHRM knows that intermittent leave requests under the FMLA are prevalent, with SHRM's FMLA research showing that 3 in 5 employers say they “sometimes” or “often” receive requests for intermittent FMLA leave.² Additionally, less than a third (29%) of HR professionals report that their organization lacks clarity when it comes to understanding the provisions and requirements associated with intermittent or reduced schedule leave.³ Including it within the enumerated eight is important, and a way to guide these state groups into leaning into familiar structures.

- b. As the federal government is considering investing in types of caregiving, they should not seek to prioritize one over the other.

With the understanding that the Public-Private Partnerships Act seeks to create a floor, SHRM cautions the floor being set too low with only the inclusion of parental bonding as the entry point. While the time for new parents to bond with their children is vitally important, SHRM urges the Group to consider the

² FMLA Modernization Survey, SHRM, 2024, Unpublished.

³ Id.

full range of caregiving responsibilities workers face and avoid prioritizing one type of leave over another. SHRM's Knowledge Advisors frequently hear from HR professionals managing leave requests for parental leave, caring for a parent or spouse, or addressing their own health conditions. Additionally, SHRM's research found that at least 80% of working caregivers anticipate the care they provide to be long-term and, looking forward, within the next 5 years, 14% anticipate taking on new or additional adult care responsibilities, and 18% anticipate taking on new or additional eldercare responsibilities, 21% of current working caregivers anticipate taking on new or additional childcare responsibilities.⁴ The pressures of caregiving on the workforce are not expected to slow or narrow. While understanding the goals of the Public-Private Partnerships Act, we would respectfully request that the floor be set no lower than at least the full FMLA aligned language in the I-PLAN text (i.e., the definition of "qualifying reason" in Section 2202(8) of the I-PLAN Act references the reasons for use of leave under "subparagraphs (A) through (D) of section 102(a)(1) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2612(a)(1)).").

The Group should consider how FMLA modernization could support the Working Text and benefit all impacted workplaces.

While SHRM supports utilizing the FMLA as the foundational standard, we also view this as an excellent opportunity to consider potential enhancements to the FMLA, ensuring the I-PLAN is positioned for optimal success. SHRM has been vocal about its support of the FMLA, as well as equipping our membership with the tools necessary to ensure compliance; however, the 31-year-old law is overdue for modernization. SHRM's Knowledge Advisors frequently receive compliance questions from our members about the FMLA, often driven by confusion over which family members qualify and / or how to navigate its intersection with broader, more inclusive leave benefits offered by various federal, state, and local laws. SHRM's FMLA survey revealed similar results, with employers who are in one or multiple of the 13 states plus DC that have their own system of short-term Temporary Disability Insurance (TDI) or Family Leave Insurance (FLI), 53% say that they need to align FMLA with state or local laws is a "moderate" or "major" compliance challenge for their organization.⁵ SHRM believes that the Working Group should continue to lean into the FMLA; however, take this time as an opportunity to include modernization efforts for our nation's workplace leave law to align it with the needs of the workforce and align with the realities of a large majority of the existing programs.

IV. Need for continued public-private partnerships

SHRM recognizes and supports the Working Text sections that emphasize collaboration between private sector organizations and government entities. SHRM knows that to realize the fullest potential of the I-PLAN, creating these single policy plans, administrative standards, and overall coordination will require

⁴ Caregiving research, SHRM, 2025 [forthcoming].

⁵ FMLA Modernization Survey, SHRM, 2024, Unpublished.



a comprehensive approach, which can only be achieved by leveraging the expertise of professionals with hands-on experience in benefits coordination.

It is imperative that decision-makers consult with HR professionals, benefits administrators, and business leaders who have firsthand experience managing leave policies in a variety of organizational settings. Their day-to-day involvement in applying these rules equips them with valuable perspectives on potential challenges, necessary administrative frameworks, and effective implementation strategies. SHRM's research consistently highlights the importance of robust benefit packages in attracting and retaining top talent. Our membership understands that comprehensive paid leave offerings are fundamental to fostering employee satisfaction, engagement, and overall well-being. SHRM's 2024 Benefits Research (Executive Summary attached) highlights how employers have proactively designed packages to address these evolving demands. Considering this, SHRM strongly advocates for the prominent inclusion of private sector voices during the policy development process. By ensuring private sector representation at the table, policymakers can craft balanced, sustainable solutions that align with the needs of both employers and employees.

V. Conclusion

SHRM appreciates the hard work of the Working Group and the publication of the Working Text. We know it was a result of hard work and dedication to public service. SHRM appreciates the opportunity to provide this comment, as considering diverse perspectives is crucial to fully understanding this issue and developing effective solutions. In support of those who are charged with the day-to-day application of these important workplace benefits now and who would be charged with the day-to-day application moving forward with any unified policy, SHRM is committed to offering whatever assistance the Congressional Paid Leave Group may need. Additionally, SHRM has an extensive affiliate network covering all 50 states and several territories, comprising nearly 550 chapters and 51 state councils. This broad reach enables SHRM to deliver localized support, resources, and networking opportunities to HR professionals nationwide. Furthermore, each chapter acts as a center for professional development, hosting events, certification courses, and legislative updates tailored to its members' needs. SHRM stands ready to lend its expertise and the collective experience of its vast membership to the Working Group as they continue to discuss the finer points of the Working Texts and continue this vital conversation.

Sincerely,

Emily M. Dickens
Chief of Staff, Head of Public Affairs & Corporate Secretary

2024

EMPLOYEE BENEFITS SURVEY EXECUTIVE SUMMARY



Welcome to the 2024 SHRM Employee Benefits Survey, one of the longest-running annual surveys of employee benefits trends in the U.S. Each year, SHRM collects data from HR professionals across the country to measure the popularity and prevalence of employer-offered benefits.

In this executive summary, six key benefits categories are explored, including prevailing trends. This year, key takeaways have been added to enable business leaders to apply these findings within their own organizations.

HR professionals, business leaders, and policymakers can use the full survey's findings to understand trends in employee benefits practices, benchmark against the aggregate of over 4,500 organizations, and make informed decisions about benefits offerings.

Looking to go even deeper? SHRM members have exclusive access to an interactive online database to benchmark the survey results by industry, organization size, and location (region and state). Members can also access five years of data, from 2020 to 2024.

Find the Employee Benefits Survey Results benchmarking tool at shrm.org/benefits.

WHICH BENEFITS DO EMPLOYERS PRIORITIZE?

Every employer considers a mix of factors when setting benefits policies, including applicable laws, industry standards, workforce demographics, budget, and recruitment and retention objectives. That said, a few categories stand out across industries and organization sizes.

According to the 2024 SHRM Employee Benefits Survey, health care-related benefits remain the benefit type employers are most likely to select as either “extremely important” or “very important” to their workforces (88%). Leave benefits tied for second with retirement savings and planning benefits at 81%.

Below that trio is a second tier of high-priority benefits: flexible work benefits (70%), family care benefits (67%), and professional and career development benefits (65%). These categories are notable because they suggest employers’ desire to meet employee wants and needs in a tight labor market where many workers continue to value flexibility and professional development.

EMPLOYER-RANKED IMPORTANCE OF BENEFITS CATEGORIES

Percentages show combined “very important” and “extremely important” ratings.

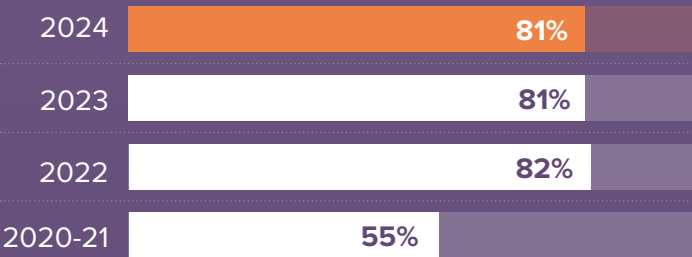
HEALTH CARE



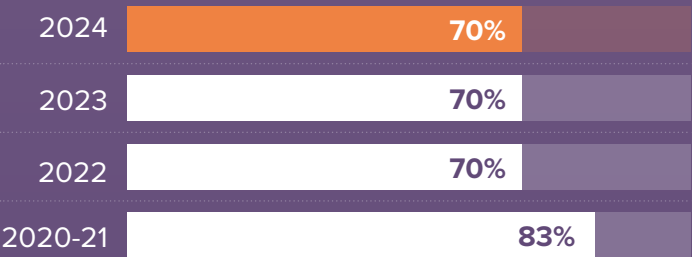
LEAVE



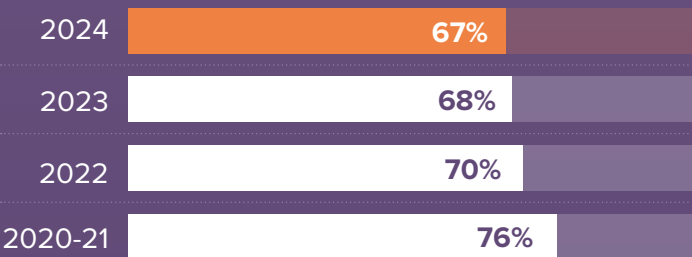
RETIREMENT SAVINGS AND PLANNING



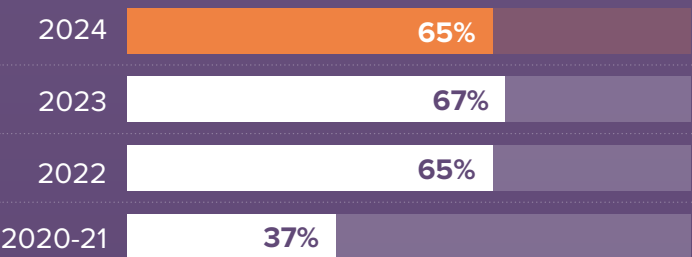
FLEXIBLE WORK



FAMILY CARE



PROFESSIONAL AND CAREER DEVELOPMENT



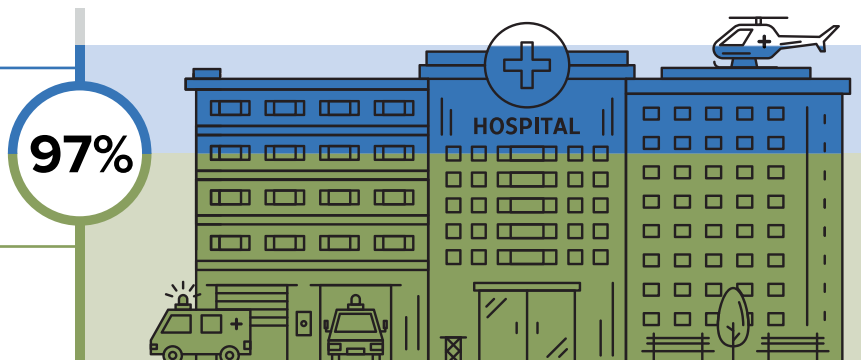
BENEFITS SNAPSHOT: HEALTH CARE

This year's survey found 88% of employers considered health care benefits "very important" or "extremely important" to their workforce. This is reflected in health care coverage, where 97% of organizations said they make some form of coverage available to their employees.

Seven in 10 respondents (70%) said they offer a fully insured health plan, meaning they pay a fixed premium amount to an insurer, who then pays the medical claim. Just over one-quarter of organizations (27%) said their health plan features a self-insured plan, meaning they operate their own health plan and typically pay medical claims themselves, often through a third-party administrator.

27% of organizations offer a self-insured health plan.

70% of organizations offer a fully insured health plan.



Preferred provider organization (PPO) plans remain the most common type of health insurance coverage offered (82%), followed by high-deductible health plans (HDHPs) linked with a savings or spending account at 63%. These HDHPs have a health savings account (HSA), health reimbursement arrangement (HRA), or flexible spending account (FSA) as a key coverage feature.

HEALTH-RELATED SAVINGS OR SPENDING ACCOUNTS

HSAs: Of the 60% of employers that offer an HSA, 62% contribute to their employees' accounts. On average, the maximum annual employer contribution is about \$1,033 for individual plans and \$1,633 for family plans.

HRAs: Group HRAs stayed flat at 15%, with an additional 2% offering individual coverage HRAs that aren't required to be linked to an HDHP. On average, the annual employer contribution is about \$2,154 for individual plans and \$3,604 for family plans.

Medical FSAs: 63% of employers offer medical FSAs, down from 68% in 2020 and 2021.

60%
OFFER HSAs

15%
OFFER HRAs

63%
OFFER FSAs

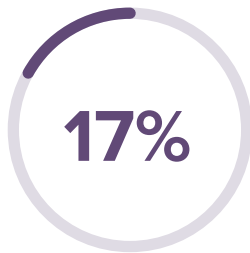
Other common health care benefits are nearly universal in prevalence, such as dental insurance (99%) and vision insurance (96%).

In previous years, this survey has highlighted the increased prevalence of telemedicine and telehealth services (91%) and mental health coverage (90%). As those percentages have stabilized in recent years, this suggests these benefits are becoming standard, much like dental and vision benefits.

Another notable shift involves coverage of emergency health care expenses. In 2024, 51% of employers offer critical illness insurance, which helps cover extra expenses for people diagnosed with a critical illness or condition. That's up three percentage points from last year. And 36% of employers offer hospital indemnity insurance in 2024, reaching the highest prevalence rate in the history of the survey.

NEW AND NOTABLE

In this year's survey, three health care benefits were asked about for the first time:

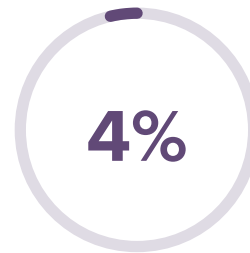


Menopause benefits

(e.g., counseling, education)



Gender-affirming hormone therapy



Lifestyle saving accounts

(an employer-funded post-tax account used for discretionary wellness and healthy lifestyle spending)

While 12% of employers cover gender-affirming hormone therapy, 11% cover gender-affirming surgery.

In addition, although 17% of employers offers some level of menopause-related benefits, only 2% offer menstrual and/or menopause leave beyond already available sick time. Worth watching is [a bipartisan Senate bill](#) introduced in May 2024 that would fund additional federal research into menopause, along with physician training and other supports. This bill could signal increasing attention to menopause as a health care and benefits issue. Given that women ages 45-54—the age range most likely to begin experiencing menopausal symptoms—[make up 9.3% of the total U.S. labor force](#), companies may want to consider looking into benefits in this area further.

LOOKING FORWARD: PROPOSED RULE CHANGE AND ITS IMPLICATIONS FOR EMPLOYER MENTAL HEALTH COVERAGE

The Biden administration in 2024 could finalize regulatory changes that would affect employer-sponsored mental health coverage. The [proposed rule](#) aims to ensure parity between mental health and medical benefits, as mandated by the Mental Health Parity and Addiction Equity Act (MHPAEA) of 2008. Employers should take note of how this pending rule could affect mental health-related coverage, particularly as [more than 20% of U.S. adults are living with a mental illness](#).



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more health care-related benefits trends, including ones in:

- Insurance
- Prescription drugs
- Wellness
- Specific services

BENEFITS SNAPSHOT: RETIREMENT

Retirement savings and planning benefits continue to be top of mind for employers, with 81% or more considering this “very important” or “extremely important” for the third consecutive year. Most benefits offerings in this category have stabilized in recent years.

Traditional 401(k) or similar defined contribution plans are the most prevalent retirement savings option, with 94% of respondents offering them and 84% of those offering a 401(k) match. Both figures were unchanged from a year ago. Meanwhile, 73% of employers offer a Roth 401(k) or similar defined contribution plan, up two percentage points from 2023 and 10 percentage points from 2020—showing its consistently increasing popularity. Seventy-five percent of those employers offer a Roth 401(k) match, up from 74% in 2023.

Even as more employers offer formal retirement savings programs, they’re less likely to offer retirement planning or investment advice, whether online, in a group/classroom, or one-on-one. Only 49% of employers provide this benefit in 2024, compared with 58% as recently as 2021.



6.61%

AVERAGE EMPLOYER
MATCH FOR **TRADITIONAL
401(K)** CONTRIBUTIONS

6.50%

AVERAGE EMPLOYER
MATCH FOR **ROTH 401(K)**
CONTRIBUTIONS

LOOKING FORWARD: STATE-MANDATED RETIREMENT PLANS

Heading into 2024, at least seven states, including California, had implemented [state-sponsored retirement savings programs](#) for private-sector employees without access to employer-sponsored plans. These programs typically require employers to offer a retirement plan or enroll employees in the state program and set up payroll deductions. Several other states offer similar plans, but with voluntary participation.

Impact on Employers: Employers in states with mandated retirement plans will need to enroll employees in the state program or offer an alternative retirement plan. More states are [planning to create such programs](#) in the coming years.

Impact on Employees: More employees can access retirement savings options, improving their long-term financial security. In some states, such as Hawaii, employees will need to opt in.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more retirement savings and planning-related benefits trends, including ones in:

- Pension plans
- Lifetime income solutions
- Phased retirement programs

BENEFITS SNAPSHOT: LEAVE

Paid vacation, holiday, and sick leave continue to be near-universal benefits, all being provided by 96% or more of employers. Most employers (68%) combine vacation and sick leave as paid time off (PTO), although this is down two percentage points from 2023. Only 7% offer paid open/unlimited leave, down from 8% in 2023.

New for this year, SHRM asked organizations that offer paid leave the average amount of paid leave granted to employees based on their service time to the organization. As expected, average leave rises with tenure. For example, employees with 20+ years of service time receive roughly twice as many annual PTO days as employees with less than one year of service.

PARENTAL LEAVE STEADIES:

The prevalence of paid-leave policies for parents generally plateaued in 2024 but preserved the previous large gains from prior years. For example, paid parental leave only increased one percentage point from last year, to 40%; however, it has maintained the large increase from 33% in 2022. Paid paternity leave (32%) and paid adoption leave (33%), meanwhile, have increased by five percentage points each since 2022. And 39% of employers offer paid maternity leave separately from other paid-leave programs or applicable law—up four percentage points from two years ago.

VOTING PTO DECLINES:

Despite this year's presidential and congressional elections, only 50% of employers offer paid time off to vote. That's down four percentage points from 2023—one of the larger percentage-point declines registered across any benefits question. Unpaid time off to vote declined three percentage points from 2023 to 42% this year.



LOOKING FORWARD: STATES ADD PAID-LEAVE REQUIREMENTS

While federal law doesn't require paid leave for private-sector employers, states continue to act on their own. In 2024, Colorado, Illinois, and Minnesota [have enacted paid-leave programs](#) with varying stipulations. For example, employees in Illinois can use their accrued leave for any reason, while Colorado's law focuses on family and medical leave circumstances.

Impact on Employers: Many employers will have to re-examine their leave policies to ensure not only compliance, but also competitiveness with other employers. While most employers offer paid sick leave and paid vacation, only 40% offer paid parental leave, and smaller percentages offer paid leave beyond federal or state laws. Employer benefits in this area could make a difference when recruiting and retaining employees.

Impact on Employees: Employees in these states will have more options for paid leave, and they might look to employers to match or beat those benefits when job hunting.

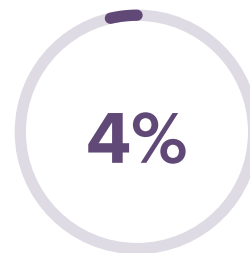
NEW AND NOTABLE



Floating holiday
(not personal days)



Bereavement leave for loss of pregnancy, etc.
(among those that offer bereavement leave)



Grandparent leave
(for both birth and adoption of a new grandchild)

Three different new or returning leave benefits were asked about in 2024. Notably, while 91% of employers in 2024 offer some kind of paid bereavement leave, only 39% of those employers extend that to bereavement for the loss of a pregnancy, failed surrogacy, or failed adoption.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more leave-related benefits trends, including ones in:

- Family care leave beyond the FMLA
- Paid leave for mental health days
- In-depth data on average vacation, sick, and PTO days by tenure

BENEFITS SNAPSHOT: FAMILY CARE BENEFITS

Family care benefits have evolved rapidly in recent years. First, the pandemic forced millions of people into work-from-home situations, while recent years have seen employers look to restore on-site work while meeting employee needs for flexibility, child care, and other benefits.

The biggest upward trend in 2024 is the prevalence of on-site lactation/mother's rooms. This year, that figure increased 19 percentage points, to 73%. This is likely the result of the [Providing Urgent Maternal Protections \(PUMP\) for Nursing Mothers Act](#), a federal law signed in December 2022 that “requires employers to provide reasonable break time for an employee to express breast milk for their nursing child,” as well as private space to do so.

Other on-site offerings for child care have not kept pace. For the third year running, only 6% of employers allow parents to regularly bring a child younger than 1 year old to the office. And child care center benefit offerings, already at very low prevalence rates, have been cut in half since 2021, whether subsidized (3%) or unsubsidized (2%).

Another area worth watching is pet health insurance, which is offered by 22% of employers. That's up from 19% in 2023 and 14% in 2022. Not only has pet ownership increased in recent years, but American households are now [more likely to have pets than children under 18](#). This trend could continue, as pet health insurance can be a relatively low-cost, low-effort benefit for employers to provide.

LOOKING FORWARD: AN AGING POPULATION AND ELDER CARE

The U.S. population [has never been older](#), on average, and the share of Americans ages 65 and older will increase from 17% of the U.S. population today to 23% by 2050.

Many employees with aging loved ones will grapple with difficult decisions on how to support them—and whether they can do so while in their current job. In 2024, however, employers are slightly less likely than a year ago to offer elder care referral services (13%) or elder care subsidies (1%).

Impact on Employers: Much of the recent emphasis on paid leave has focused on new parents, which is important. However, [with 14% of the U.S. population providing unpaid elder care](#), employers might also consider the risks to their current and future talent needs by failing to offer benefits to help their workforce manage elder care concerns, which will only increase.

Impact on Employees: Given the high cost of at-home or long-term care, as well as the difficulty of navigating caregiving responsibilities, some workers may feel compelled to leave their jobs if they must choose between working and caring for elderly relatives, [which on average takes 3.6 hours per day](#). They might also seek out employers that offer more support for elder care and other family care needs.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more family care-related benefits trends, including ones in:

- Dependent care FSAs
- Adoption assistance
- Foster care assistance

BENEFITS SNAPSHOT: FLEXIBLE WORK

Most employers continue to prioritize flexible work policies and benefits, with 70% calling this “very important” or “extremely important” for the third consecutive year. Hybrid work continues to be popular and is offered by 63% of employers, up from 62% a year earlier.

However, there are suggestions of pullback on other flexible work benefits. The biggest sustained pullback is seen in employer subsidies of at-home work equipment. Now, only 56% of employers offer this benefit, compared with 62% in 2022 when it was first measured. Companies providing this benefit in 2024 offered an average annual maximum reimbursement amount of \$871.



56% OF EMPLOYERS

PROVIDE AT-HOME OFFICE EQUIPMENT OR SUBSIDIZE THE COST.
WHAT ARE THEY MOST LIKELY TO COVER?



96%
OFFICE TECHNOLOGY
(e.g., monitors, keyboards)



63%
**GENERAL OFFICE
SUPPLIES**



35%
**CELLPHONE SERVICE
COVERAGE**



25%
OFFICE CHAIRS



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more flexible-work-related benefits trends, including ones in:

- Flextime
- Compressed workweeks
- Four-day workweeks


BENEFITS SNAPSHOT: PROFESSIONAL AND CAREER DEVELOPMENT

Professional development was named by 65% of employers as “very important” or “extremely important” in 2024, down two percentage points from 2023. This benefits category will be worth watching in future years amid rapid changes in technology, including the acceleration of artificial intelligence (AI). A 2023 edX survey suggests [49% of workplace skills will become irrelevant as early as 2025 because of AI](#).

Unsurprisingly, two of the most prevalent development benefits are formal training or education for keeping skills current (82%) and upskilling/reskilling (80%). SHRM’s 2024 AI in the Workplace research supports this trend, as 83% of HR leaders believe that upskilling will be essential for workers to remain in a job market shaped by AI.

Most U.S. workers are likely to welcome such benefits, according to the SHRM research, with 51% believing that AI will transform existing jobs rather than replace them. Even more (76%) believe that upskilling will be essential for workers to remain in a job market shaped by AI.

The 2024 SHRM Employee Benefits Survey found that employers continue to cover costs that may be required for employees to be able to do their jobs, such as professional license application or renewal fees (unchanged at 77%), as well as those costs that directly help employees improve their skills, such as certification/recertification fees (79%, up from 78%). However, companies appear more reluctant to offer open-ended educational benefits, such as 529 plan payroll deductions (8%, down from 9%) and tuition assistance (46%), which is at its lowest prevalence in years.



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more professional development-related benefits trends, including ones in:

- Mentoring
- Leadership coaching
- Student loan payments
- Average maximum amount provided for education assistance

FROM 2020 TO 2024, MORE EMPLOYERS HAVE COVERED PROFESSIONAL DEVELOPMENT EXPENSES:

FORMAL TRAINING OR EDUCATION TO KEEP SKILLS CURRENT



FORMAL TRAINING OR EDUCATION TO DEVELOP NEW SKILLS (UPSKILLING/RESKILLING)



PROFESSIONAL MEMBERSHIPS



CERTIFICATION/RECERTIFICATION FEES



ADDITIONAL BENEFITS TO WATCH

Beyond the main benefits categories, there were changes in other benefits that are noteworthy and could influence employer policies moving forward.

NONRETIREMENT FINANCES:

Over the last several years, employers have been less likely to offer formal retirement planning advice, but they are still addressing personal finance. Employers were slightly more likely this year to offer nonretirement financial advice benefits (32%) and credit counseling services (16%). That said, only 11% offer a credit union, down from 13% in 2023.

32%
**OFFER NONRETIREMENT
FINANCIAL ADVICE**

16%
**OFFER CREDIT
COUNSELING SERVICES**

SHIFT IN PERKS

Even as many employers are emphasizing on-site work, budget constraints could potentially be causing a pullback in certain perks and benefits:



50%
**SNACKS
AND BEVERAGES
(EMPLOYEE-PAID)**
(down from 53%)



38%
**COMPANY-OWNED
CELLPHONE**
(down from 40%)



78%
FREE COFFEE
(down from 79%)



18%
**ON-SITE STRESS
MANAGEMENT
PROGRAM**
(down from 21%)



Visit the Employee Benefits Survey Results interactive online tool at shrm.org/benefits to explore more benefits trends, including ones in:

- Awards and bonuses
- Transportation benefits
- Housing and relocation benefits

TAKEAWAYS FOR BUSINESS LEADERS

Every employer must make benefits decisions based on their own circumstances, data, and principles. But the annual SHRM survey can give you better information and more context for making the tough judgment calls that can move the needle on employee engagement, productivity, and retention. Here are a few takeaways from this year's results to consider when making benefits decisions going forward:

START WITH COMPLIANCE

Federal, state, and local regulations are increasingly scrutinizing or requiring benefits related to paid leave, retirement savings programs, and numerous other areas. While compliance isn't the only consideration when setting benefits policies, make sure you're up-to-date on all existing regulations, as well as laws and regulations that are in progress or considered likely to pass in the coming year.

STANDARDIZE PAID-LEAVE POLICIES

Paid leave has expanded well beyond the basic categories of vacation and sick leave. With states enacting a variety of paid-leave laws, now is the time to assess your mix of paid-leave benefits offerings. For employers facing a patchwork of regulations, you might consider a blanket policy that is equal to or exceeds the most stringent applicable laws. This can reduce paperwork, avoid mistakes, and help employees feel that leave policies are applied fairly.

Likewise, look at your mix of paid-leave benefits. What's working, and what isn't? Do these policies match employee needs, wants, and demographics? If you're not already surveying employees about leave policies, start there.

COMMUNICATE ABOUT RETIREMENT SAVINGS AND OTHER FINANCIAL BENEFITS

Most employers offer some kind of retirement savings and planning benefits, and many have added offerings such as Roth 401(k)s and employer matches for employee contributions. Make sure employees know about these benefits—not just how to sign up for them, but also how important such benefits are for their future. These benefits can add peace of mind and increase employee loyalty, especially if other potential jobs have lesser retirement offerings. Likewise, consider providing and regularly communicating about other financial benefits available to employees, such as nonretirement financial advice, credit unions, and payroll advances.

CONNECT PROFESSIONAL DEVELOPMENT BENEFITS TO SKILLS NEEDS

What is your organization's current skills inventory, and how does it compare to the skills your business will need in five or 10 years? Knowing that information can help you shape professional development benefits to train, upskill, or reskill your employees for the skills you need most. Taking inventory of the required skills for each role can also help you recruit people with the skill sets you need—potentially reducing the need to spend money on reskilling or upskilling.

As a member-exclusive benefit, SHRM offers an interactive online benchmarking tool, where users can filter results from the Employee Benefits Survey according to their organization's size, industry, and location (region and state). In addition, users may view and export results across the entirety of the benefits surveyed—all available on demand.

METHODOLOGY

The 2024 SHRM Employee Benefits Survey was conducted from Jan. 18 to March 5, 2024. Online surveys were sent to U.S.-based professional members of SHRM, which yielded eligible responses from 4,529 participants representing independent organizations. Respondents were asked to provide answers regarding what employee benefits their organizations offered during plan year 2024. A stratified sampling approach was used to ensure coverage of all locations (including states) in the online benchmarking tool. Respondents represent organizations of all sizes—from two employees to more than 25,000—in a wide variety of industries and sectors across the U.S. The data is unweighted.

To access SHRM's Employee Benefits Survey Results interactive online tool, visit shrm.org/benefits.

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