

July 14, 2022

The Honorable Elise Stefanik United States House of Representatives 2211 Rayburn House Office Building Washington, D.C. 20515 The Honorable Josh Harder United States House of Representatives 209 Cannon House Office Building Washington, D.C. 20515

Dear Congresswoman Stefanik and Congressman Harder

On behalf of SHRM, the Society for Human Resource Management, I write in support of the Empowering Employer Child and Elder Care Solutions Act. The pressing need for reliable care affects the daily decisions of workers and inhibits the ability of employers to recruit and retain talent. As the voice of work, workers, and workplaces for our 300,000+ members and the 115 million workers they support, SHRM is acutely aware of the challenges today's workers face and our members are uniquely positioned to support workers with caregiving responsibilities. At a time when the lack of access to reliable, high-quality, and affordable dependent and childcare negatively affects working families and their employers, this legislation would better enable employers to support workers with caregiving responsibilities.

According to the <u>Board of Governors of the Federal Reserve System</u>, caregiving responsibilities continue to inhibit labor force participation. While the Federal Reserve found that labor force participation for parent caregivers improved with the reopening of schools, they explicitly cited elder care as a continuing barrier to full labor force participation. Access to caregiving is of particular importance to the success of workers with family caregiving responsibilities. The <u>Administration on Community Living</u> found that these workers were likely to "reduce work hours, switch to part-time work, or temporarily leave the workforce."

While the 2019 regulations issued by the Department of Labor provided employers more clarity and consistency regarding the calculation of a worker's "regular rate" of pay, the inclusion of dependent and childcare benefits, outside of emergency care, in regular rate calculations has discouraged many employers from offering these benefits. According to the SHRM 2022 Employee Benefits Report, there has been a 50 percent reduction of subsidized child care by employers since the regular rate regulations went into effect. SHRM members work diligently to design and implement benefit plans that meet the needs of the workforce and ensure organizational success. This legislation would provide our members the flexibility needed to provide workers the necessary support to succeed on the job while fulfilling their caregiving responsibilities.

SHRM is the foremost expert, convener, and thought leader on issues impacting today's evolving workplaces. With our members we stand ready to be a resource for Congress in your work to expand access to dependent and childcare. Please contact us any time as we can be of assistance to you in your work.

Sincerely,

Emily M. Dickens

Chief of Staff, Head of Government Affairs

& Corporate Secretary

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