



The Unintended Costs of Mandated Paid Family Medical Leave: As we enter the 2025 legislative session, the growing advocacy for a paid family medical leave act (PFMLA) is often portrayed as a win-win for employees and families. However, beneath its compassionate exterior lies a series of significant challenges that risk undermining the very goals it seeks to achieve. With businesses and families already facing economic pressure, additional government mandates on employee-employer relationships could worsen financial instability and hinder long-term growth. This would hurt businesses, employees, and the broader economy in profound ways.

The Inflationary Impact of PFMLA: Introducing the PFMLA during high inflation exacerbates businesses' challenges. The financial burden of complying with such mandates—through increased taxes or operational costs—would drive up prices, tighten budgets, and reduce overall economic activity. Small and medium-sized businesses struggling to navigate rising costs and a lack of labor could be forced to pass these expenses onto consumers or reduce their workforce, compounding the economic strain on communities.

A Disproportionate Toll on Small Businesses: Small businesses, the lifeblood of local economies, would bear the brunt of PFMLA's implementation. Many are already grappling with inflation-driven wage increases, rent, and materials. Adding the administrative and financial obligations of the PFMLA could push these businesses to a breaking point, curbing innovation, limiting hiring, and threatening their survival. Policies that add to their burden are untenable in an era of economic uncertainty and 'Help Wanted' signs on many storefronts.

Flexible Alternatives for Challenging Times: Rather than imposing broad mandates, we should empower businesses to adapt to their employees' needs in ways that align with economic realities. Flexible work arrangements, voluntary leave programs, and employee assistance initiatives offer more practical and sustainable options. These approaches allow businesses to provide support while maintaining agility in weathering inflationary and low staffing pressures.

Freedom and Resilience Over Mandates: The PFMLA represents another layer of government control in the complex relationship between employers and employees. When businesses need flexibility to respond to volatile economic conditions, such mandates could stifle creativity and competitiveness. Preserving the freedom of businesses to manage benefits on their terms fosters resilience and ensures a more dynamic economy. Businesses thrive when they can tailor solutions to their specific challenges, benefiting employees and customers.

A Smarter Path Forward: In these inflationary times, adding government mandates like PFMLA risks exacerbating economic hardship rather than alleviating it. Instead, we

must prioritize solutions that promote collaboration, flexibility, and innovation. By empowering businesses to meet the needs of their employees in ways that work for them, we can strengthen our economy and build a more sustainable future—without the unintended consequences of heavy-handed mandates.