



Governmental
Relations Division

1910 Sunderland Place NW
Washington, DC
20036-1642
phone 202.789.0007
800.321.1473
fax 202.842.4360

AVMA Headquarters

1931 N. Meacham Rd.
Suite 100
Schaumburg, IL
60173-4360
phone 847.925.8070
800.248.2862
fax 847.925.1329
www.avma.org

Paid Vacation Act of 2009 (HR 2564)

Sponsor—Rep. Alan Grayson (D-FL-8)

Introduction, Referral and Administration—Introduced 5-21-09, referred to the House Education, Labor Subcommittee on Workforce Protections

Purpose—

- Amends the Fair Labor Standards Act to require employers with at least 100 workers to provide a minimum of one week of paid vacation each year.
- The legislation would cover employees after they have worked for their employer for one year. Part-time workers must work 25 or more hours a week and 1,250 hours per year to be covered under its provisions.
- Within three years of passage, the legislation would cover companies with at least 50 employees, and require two weeks of vacation for companies with 100 employees. Full- and part-time (25 hours per week/1,250 hours per year) workers will be eligible after one year of service.
- The legislation requires an employee to provide the employer not less than 30 days' prior notice of his or her intent to take paid vacation, including the date the paid vacation will begin.
- The legislation requires the Secretary of Labor to conduct a public awareness campaign, through the Internet and other media, to inform the public of the entitlement to paid leave under the Act; and a study on workplace productivity and the effect of paid leave on such productivity
- The Department of Labor and Department of Justice would enforce its provisions.

AVMA Position—Non-Support

Justification—

- The legislation will lead some employers to cap their growth at 50 or 100 employees so as to avoid compliance, thus fewer employees will be hired.
- This measure would greatly increase business expenses.
- Employers may be forced to change or reduce other benefits that may be more important to their employees such as medical, dental and vision insurance, life insurance, 401(k) or pension; long-term or short-term disability insurance, etc.
- Employers will reduce the pool of money available for compensation increases and may freeze increases and take other steps necessary to reduce costs such as 1) institute a hiring freeze; 2) freeze salary and benefit increases; 3) let contract and temporary employees go; 4) ask employees to take voluntary layoffs; 5) offer a sum of money to end the employment relationship, or offer early retirement to eligible employees; 6) reduce hours worked; 7) reduce employee pay and benefits and/or 8) institute mandatory furloughs.

Supporters—US Tour Operators Association; Adventure Travel Trade Association
Opposition—US Chamber of Commerce

AVMA Contact—Gina Luke, Assistant Director, 202-289-3204, gluke@avma.org