

Testimony of Elizabeth Watson Senior Counsel and Director of Work Place Justice for Women and Elizabeth Johnston Skadden Public Interest Law Fellow National Women's Law Center In Support of Senate Bill 1330 Before the Minnesota Senate Committee on Jobs, Agriculture, and Rural Development April 8, 2015

Thank you for the opportunity to submit this testimony on behalf of the National Women's Law Center in Support of Senate Bill 1330, the Fair Scheduling Act. The National Women's Law Center has been working since 1972 to secure and defend women's legal rights, and to help women and families achieve economic security. The Fair Scheduling Act provides crucial protections from difficult scheduling practices that undermine workers' ability to provide for themselves and their families. These protections are particularly important to women, who make up 68 percent of Minnesota's low-wage workforce, where difficult scheduling practices are most common.¹

The demographics and needs of the workforce have changed. In Minnesota, more than 66 percent of women over the age of 16 are in the labor force.² Nationwide, 82 percent of children live in households where all parents work.³ Working mothers are primary breadwinners in 41 percent of families with children, and they are co-breadwinners—bringing in between 25 percent and 50 percent of family earnings—in another 22 percent of these families.⁴ Nearly 22 percent of family households in Minnesota are headed by single mothers—in these families, there is no other parent with whom to share caregiving responsibilities.⁵ And, 35 percent of these female-headed families in Minnesota are living in poverty.⁶

Women's income is more critical than ever before to families' economic security. Yet, too many women workers are barely scraping by. Working women in Minnesota are 2.3 times more likely to have a low-wage job than a working man.⁷ Indeed, 19 percent of women in Minnesota's workforce work in low-wage jobs, as compared to 8.4 percent of men.⁸ Low wages make it hard for workers to support themselves and their families, but wages are not the only problem. Low-wage jobs are all too often marked by work scheduling policies and practices that pose particular problems for workers with responsibilities outside of their jobs, including caregiving, pursuing education and workforce training, or holding down a second job.⁹ For many, work schedules are unpredictable, unstable, and inflexible. Some require working evenings, weekends, or even overnight, and many offer only part-time work, despite many workers' desire and need for full-time hours.

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With this bill, Minnesota becomes part of a nationwide movement to improve workplace scheduling practices so that workers and their families can better plan their lives. In July of 2014, Congress introduced the Schedules that Work Act.¹⁰ In December of 2015, the Retail Workers Bill of Rights, which provides scheduling protections for workers in certain types of jobs, was passed by the San Francisco Board of Supervisors on a unanimous 10-0 vote.¹¹ And California,¹² Connecticut,¹³ Maryland,¹⁴ Indiana,¹⁵ Illinois,¹⁶ Michigan,¹⁷ New York,¹⁸ and Oregon¹⁹ have all recently introduced legislation to curb abusive scheduling practices. Such legislation is essential given the rapid growth in just-in-time scheduling practices and in the low-wage jobs in which these practices are so widespread.

I. <u>Work Scheduling Practices that Fail to Take Workers' Lives into Account Undermine</u> Workers' Best Efforts to Provide for Themselves and Their Families

The fallout from scheduling practices that do not take workers' needs into account can be devastating.²⁰ Difficult scheduling practices undermine workers' efforts to fulfill their caregiving responsibilities and make maintaining stable child care nearly impossible. They also make it tougher to pursue education or training while holding down a job, as many workers want to do to make a better life for themselves and their families. For workers who need a second part-time job to make ends meet because they cannot get enough hours at their primary job, unpredictable scheduling practices can make juggling two jobs very difficult. And workers managing serious medical conditions are often denied the control over their schedules that they need to manage their health.

A. Having Little Say in Their Schedules Makes it Nearly Impossible for Workers to Plan Their Lives

Nationwide, workers across the income spectrum report having very few opportunities for meaningful input into the timing of the hours that they work, and some are unable to request even minor changes to their work schedules without suffering a penalty.²¹ Overall, less than half of workers have flexibility in the scheduling of their work hours.²² More than a third of parents believe they have been "passed over" for a promotion, raise, or a new job due to a need for a flexible work schedule.²³

Workers in low-wage jobs often have the least say in their work schedules. About half of low-wage workers report having limited control over the timing of their work hours and between two-thirds and three-quarters of full-time, low-wage workers report that they are unable to alter when their work day stars and ends.²⁴ Some employers have policies requiring employees to have completely open availability in order to qualify for full-time hours, making it extremely difficult for workers with significant responsibilities outside of work to achieve full-time status.²⁵ And workers who request a schedule that allows them to attend school, take a child to a regular medical appointment, or address their own health needs too often find that their employers retaliate by cutting their hours sharply.²⁶

Requiring workers to be available to work at any time has become a *de facto* job requirement. For example, when Jill Ernst interviewed at J.C. Penney in Minnesota, she was only given the job because she had a very flexible schedule. In fact, she was available to work all 7 days of the week. Despite her open availability, she often gets less than 35 hours. If Jill gets less than 34.5 hours, it is a struggle for her to pay rent and bills. If she is put on the schedule for 28 hours, she

has to figure out how to convince her manager to give her more hours or find someone willing to give up hours. Her schedule is so inconsistent that if she needs to take even one day off, she knows she will have to take the entire week off, or she will be scheduled for several short days and not paid for that one day off, no matter how few hours she actually worked that week.

B. Little Advance Notice of Schedules Means the Only Plans Workers Can Make Are Those They Can Break

Providing notice of work schedules a week or less in advance is common in many industries. According to research analyzing the work schedules of a representative sample of early-career adults (26-32 years old), over a third (38 percent) of early career employees overall knew their work schedule one week or less in advance.²⁷ And such short notice was significantly more common among hourly workers (41 percent) than others (33 percent), and among part-time (48 percent) than full-time workers (35 percent).²⁸ Another survey found that, among all low-wage workers, between 19 and 31 percent are often asked to work extra hours with little or no notice.²⁹ Another practice, especially common for retail workers, is to schedule workers for "call-in shifts," which means they must call their employers to find out whether they need to report to work that same day.³⁰ In a study of retail workers in New York City, 20 percent of workers surveyed reported that they always or often must be available for call-in shifts.³¹ These practices undermine workers' efforts to seek education or workforce training or arrange transportation to and from work, and make it extremely difficult for part-time workers who need to hold down more than one job in order to get enough hours to make ends meet.³²

Low-wage workers' ability to access quality, affordable and stable child care is also often compromised by unpredictable work schedules.³³ With work schedules and incomes that fluctuate from week to week, many workers have no choice but to cobble together child care at the last minute.³⁴Because many centers require caregivers to pay a weekly or monthly fee, regardless of how often the child attends, holding a spot in a child care center is often infeasible for workers who do not know when, or even if, they will work that week. Further, workers with unstable schedules may not qualify for child care subsidies due to fluctuations in income and work hours.³⁵Relving on family, friends, and neighbors to provide child care – as most workers in low-wage jobs must do – is complicated by the fact that their child care providers may also be balancing an unpredictable part-time work schedule at their own jobs with providing child care. When workers are unable to find child care or child care falls through, sometimes workers must miss work and lose pay. In one study, 40 to 60 percent of workers who reported missing work due to child care problems also reported losing pay or benefits, or being penalized in some way.³⁶ Another common problem that some workers report is being required to stay past their scheduled shift. In a survey of restaurant workers, nearly a third of workers a third of workers reported that they had been required to stay past the end of a scheduled shift and, as a result, paid fines to child care providers for picking their children up late.³⁷

C. When the Amount of Hours Workers are Assigned Varies, it is Difficult for Workers to Meet Expenses, or Even Budget

Many workers in low-wage jobs experience unstable schedules that vary from week to week or month to month, or periodic reductions in work hours when work is slow. For example, 59 percent of retail employees employed by one major retailer reported that either the shifts or the days they worked change each week.³⁸ For early-career adults, hours fluctuate substantially for both

hourly and non-hourly workers; but for those hourly workers who need more hours, such fluctuations can make it extremely difficult to make ends meet.³⁹ And workers in low-wage jobs, primarily women, are more likely to experience schedule variations; for example, the average variation in work hours in a single month is 70 percent for food service workers, 50 percent for retail workers, and 40 percent for janitors and housekeepers.⁴⁰ Between 20 and 30 percent of low-wage workers experience a reduction in hours or a layoff when work is slow.⁴¹ Workers also report being sent home early from their scheduled shifts.⁴²

In 2013, nearly one quarter (23 percent) of part-time workers worked part-time involuntarily,⁴³ because they could not obtain full-time work.⁴⁴ These workers often need more than one job to make ends meet, but when workers have little say in their work schedules at their primary job, it can be difficult to impossible to arrange a schedule at a second job. Low-wage workers, who have the least say in their schedules, are also far more likely than the overall workforce to work part-time involuntarily (14 percent versus 6 percent).⁴⁵

The prevalence of part-time work was exacerbated by the recession, but levels of part-time work still remain high in the recovery, which supports the notion that the trend toward part-time work in low-wage jobs is part of a broader structural change in the way that employers hire and schedule workers.⁴⁶ Some workers are hired expecting full-time hours only to find that they are not put on the schedule at all for weeks and months at a time. This particular practice of hiring workers and then giving them very few or no hours of work is especially well-documented in the retail industry.⁴⁷

Variable work hours can make it extremely difficult for workers to maintain eligibility for child care subsidies that are tied to work or simply to meet basic expenses like food, rent, and utilities. And even in months when workers are scheduled for sufficient hours to meet their expenses, workers experience the incredible stress and uncertainty that comes with not knowing in advance how much income they will be bringing home.

II. The Fair Scheduling Act Provides Crucial Protections for Workers

A. The Fair Scheduling Act Provides Workers with more Predictable and Stable Schedules, and More of a Say in When They Work

Workers need a say in their schedules in order to meet their responsibilities at work and in the rest of their lives. The Fair Scheduling Act would permit employees to request flexible, predictable, or stable schedules from their employer, free from retaliation. It would require employers to engage in a timely, interactive process with the requesting employee. Requests made because of a serious health condition, the employee's responsibilities as a caregiver, the employee's enrollment in a career-related educational or training program, or if a part-time employee makes the request for reasons related to a second job, the employer must grant the request. For those part-time employees that desire full-time hours, the bill includes an access to hours provision, which would require employers with additional hours of work available in positions held by current employees to offer those hours to current qualified employees before hiring new employees or contractors.

The Fair Scheduling Act would also help workers achieve more predictability and certainty in their schedules. The bill would require employers to provide hourly employees with their schedules a minimum of 21 days in advance. If an employer changes the schedule after its posting,

but with more than 24 hours' notice, the employer would be required to pay the employee one hour of additional pay at the employee's regular rate for each changed shift. If, within 24 hours of the start of a shift, the employer subtracts or adds hours from the shift, cancels the shift, or changes the shift's start or end time, the employer would be required to pay the employee at least four hours of additional pay, in addition to any hours worked. The bill prohibits employers from requiring employees to work hours not included in the initial work schedule, unless the employee consents to the additional hours in writing, and prohibits employees from requiring an employee to find another employee to cover hours during which the employee is unable to work a schedule shift.

Employers changing a schedule with less than three weeks' notice would not be required to provide additional pay to an employee when the scheduling change was the result of the employee's request, the result of a mutually-agreed-upon shift trade between or among employees, or when the employer's operations are suspended due to threats to employees or property, when civil authorities have recommended closing, due to failure of public utilities, or due to a natural disaster or weather event.

The bill also contains important provisions relating to on-call shifts. If an hourly employee is scheduled for an on-call shift, that employee would receive at least four hours' of pay, even if the employee was not called in or was called in but was given fewer than four hours of work.

At the same time that some workers struggle to get enough hours, for others the workweek is too long. According to one study, more than one-third of the U.S. workforce works more than 40 hours per week, with nearly 19 percent working 50 or more hours per week.⁴⁸ This overemployment leaves little or no time for obligations outside of work, and comes at the expense of employee's health or that of their families.⁴⁹ In one study, the effects of mandatory overtime on autoworkers included impaired performance in attention and executive functions, and workers who worked more than eight hours in a day reported feeling more depressed and fatigued.⁵⁰

The Fair Scheduling Act also gives employees who work especially long hours a modicum of control over their schedules. Specifically, it permits them to decline an employer's request for them to work during hours that occur less than 11 hours after the end of the preceding shift, or to work during the 11-hour period immediately following the end of a shift that spanned 2 days. An employer must pay an employee one and one half times the employee's regular rate of pay for

The provisions in the Fair Scheduling Act are an important step forward in providing more predictable and stable work schedules for employees.

III. Fair Scheduling Practices are Good for Employees, Businesses. And the Bottom Line

Scheduling practices that fail to take workers' needs into account result in higher rates of turnover and absenteeism and lower worker engagement.⁵¹ In contrast, fair scheduling leads to more productive and committed employees and lower turnover.⁵² In other words, when businesses provide flexible working arrangements, they benefit. Research shows that the benefits of implementing fair scheduling practices for lower-wage workers are comparable and even greater than the benefits of providing those arrangements to their higher-wage counterparts.⁵³ Among the benefits are reduced absenteeism, increased retention, reduced health care costs, and increased revenue.⁵⁴ When workers have schedules that work, everyone wins. This bill is an important first step to creating workplace polices that really work for workers and their families.

IV. Conclusion

When workers have schedules that work, everyone wins. This bill is an important step toward creating workplace policies that truly work for workers and their families. We urge your support for this important legislation.

¹¹ San Francisco Ordinance No. 241-14 (Nov. 18, 2014), available at

http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances14/o0241-14.pdf.

¹² California Assembly Bill No. 357, Fair Schedule and Pay Equity Act (Feb. 2, 2015), *available at*

¹³General Assembly Bill No. 6933, An Act Concerning Predictable Scheduling for Employees (Ct. Jan. 2015), *available at* http://www.cga.ct.gov/2015/TOB/H/2015HB-06933-R00-HB.htm

http://mgaleg.maryland.gov/2015RS/bills/hb/hb0969f.pdf; see also H.R. 1027, Overwork Prohibition Act (Md. 2015), available at http://mgaleg.maryland.gov/2015RS/bills/hb/hb1027f.pdf.

¹⁵ Indiana Senate Bill 416 (Jan 12., 2015), *available at* https://iga.in.gov/legislative/2015/bills/senate/416#document-cd799e76.

http://www.ilga.gov/legislation/fulltext.asp?DocName=09900HB3554ham001&GA=99&LegID=89743&SessionId=88 &SpecSess=0&DocTypeId=HB&DocNum=3554&GAID=13&Session=.

 18 S. 52 & A 261 (N.Y. 2015), available at

¹ See, e.g., NWLC, COLLATERAL DAMAGE: SCHEDULING CHALLENGES FOR WORKERS IN LOW-WAGE JOBS 3-4 (April 2014), *available at* http://www.nwlc.org/sites/default/files/pdfs/collateral_damage_scheduling_fact_sheet.pdf. ² NWLC calculations based on U.S. Census Bureau, American Community Survey 2013, *available at*

http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_13_1YR_DP03&prodType=tabl e.

³ NWLC, THE SCHEDULES THAT WORK ACT: GIVING WORKERS THE TOOLS THEY NEED TO SUCCEED 1 (July 2014), *available at* http://www.nwlc.org/resource/schedules-work-act-giving-workers-tools-they-need-succeed.

⁴ The share of mothers who are breadwinners or co-breadwinners has increased from 27.5 percent in 1967 to 63.3 percent in 2012. SARAH JANE GLYNN, CENTER FOR AMERICAN PROGRESS, BREADWINNING MOTHERS, THEN AND NOW 6 (June 2014), *available at* http://cdn.americanprogress.org/wp-content/uploads/2014/06/Glynn-Breadwinners-report-FINAL.pdf.

⁵ NWLC Calculations based on U.S. Census Bureau, American Community Survey 2013, *available at* http://factfinder.census.gov/faces/nav/jsf/pages/guided_search.xhtml.

⁶ NWLC, Interactive Map: Women and Poverty, State by State (Sept. 2014), available at

http://www.nwlc.org/resource/women-and-poverty-state-state.

⁷ NWLC, Interactive Map: Women and Men in the Low-Wage Workforce (July 2014), *available at*

http://www.nwlc.org/resource/interactive-map-women-and-men-low-wage-workforce.

⁸ Id.

⁹ See generally, COLLATERAL DAMAGE, *supra* note 1; RESTAURANT OPPORTUNITIES CENTER UNITED, THE THIRD SHIFT: CHILD CARE NEEDS AND ACCESS FOR LOW-WAGE WORKING MOTHERS IN RESTAURANTS 1-2, (July 2013), *available at* http://www.scribd.com/doc/161943672/The-Third-Shift-Child-Care-Needs-and-Access-for-Working-Mothers-in-Restaurants.

¹⁰ Schedules That Work Act, HH.R. 5159, S. 2642, 113th Cong. (2014).

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB357&search_keywords=.

¹⁴ H.R. 969, S.B. 688, Fair Scheduling Act (Md. 2015), available at

¹⁶ House Bill 3554, 99th General Assembly (II. 2015), *available at*

¹⁷ Michigan Senate Bill No. 1112, Employee Scheduling Accommodation Act (Oct. 20a14), *available at* http://www.legislature.mi.gov/documents/2013-2014/billintroduced/Senate/pdf/2014-SIB-1112.pdf.

http://assembly.state.ny.us/leg/?default_fld=&bn=S00052&term=2015&Summary=Y&Text=Y.

¹⁹ H.R. 3377, S. 888, 78th Leg. Assembly (Or. 2015).

²² White House Council of Economic Advisers, Nine Facts about American Families And Work 4 (June 2014), *available at* http://www.whitehouse.gov/sites/default/files/docs/nine_facts_about_family_and_work_real_final.pdf.²³ *ld.*

²⁴ WATSON & SWANBERG, *supra* note 21, at 19-20.

²⁵ See Jodi Kantor, Starbucks to Revise Policies to End Irregular Schedules for Its 130,000 Baristas, N.Y. TIMES, Aug. 14. 2014, available at http://www.nytimes.com/2014/08/15/us/starbucks-to-revise-work-scheduling-policies.html? r=0. ²⁶ See, e.g., Retail Action Project, What You Need to Know about Erratic Scheduling: 5 trends in unpredictable retail scheduling, available at http://retailactionproject.org/advocacy/policy/erratic-scheduling/.

²⁷ SUSAN J. LAMBERT, PETER J. FUGIEL, AND JULIA R. HENLY, PRECARIOUS WORK SCHEDULES AMONG EARLY-CAREER EMPLOYEES IN THE US: A NATIONAL SNAPSHOT 6 (Aug. 2014), available at http://ssascholars.uchicago.edu/workscheduling-study/files/lambert.fugiel.henly_.precarious_work_schedules.august2014.pdf.

²⁸ Id.

²⁹ WATSON & SWANBERG, *supra* note 21, at 21.

³⁰ STEPHANIE LUCE & NAOKI FUJITA, DISCOUNTED JOBS: HOW RETAILERS SELL WORKERS SHORT 15 (Retail Action Project 2012), available at http://retailactionproject.org/wp-content/uploads/2012/03/7-75 RAP+cover lowres.pdf. 31 *Id.* at 13.

³² WATSON & SWANBERG, *supra* note 21, at 8-9.

³³ See generally, LIZ BEN-ISHAI, HANNAH MATTHEWS, & JODIE LEVIN-EPSTEIN, SCRAMBLING FOR STABILITY: THE CHALLENGES OF JOB SCHEDULE VOLATILITY AND CHILD CARE (Ctr. For Law and Social Policy Mar. 2014), available at http://www.clasp.org/resources-and-publications/publication-1/2014-03-27-Scrambling-for-Stability-The-Challengesof-Job-Schedule-Volat-.pdf.

³⁴ *Id*.

³⁵ See generally, Karen Schulman & Helen Blank, Pivot Point: State Child Care Assistance Policies 2013 (NWLC 2013).³⁶ WATSON & SWANBERG, *supra* note 21, at 8.

³⁷ ROC, *supra* note 9, at 9-10.

³⁸ Jennifer Swanberg, et. al,., CitiSales Study: Jobs that Work for Hourly Employees 4 (2009), available at http://www.uky.edu/Centers/iwin/citisales/hourly-overview.html.

³⁹ LAMBERT, FUGIEL, HENLY, *supra* note 27, Table 7.

⁴⁰ See Schedules That Work Act, H.R. 113th Cong. (2014) (from Sec. 1 Short Title & Findings, based on an analysis of the National Longitudinal Survey of Youth by Susan Lambert), available at https://www.congress.gov/bill/113thcongress/house-bill/5159/text.

⁴¹ WATSON & SWANBERG, *supra* note 21, at 22 (with the exception of full-time low-wage workers with standard hours, for whom less than 20 percent reported this problem.).

 42 LUCE & FUJITA, *supra* note 30, at 15.

⁴³ NWLC calculations based on Bureau of Labor Statistics (BLS) Current Population Survey (CPS) Annual Table 20, Persons at work 1 to 34 hours in all and in non-agricultural industries by reason for working less than 35 hours and usual full or part-time status, 2007 through 2013, available at http://www.bls.gov/cps/tables.htm#annual. Figures are annual averages for those working part-time for economic reasons (also known as involuntarily part-time workers) across all industries.

⁴⁴ NWLC calculations based on Miriam King et. al., Integrated Public Use Microdata Series, CPS: Version 3.0 (PUMS-CPS) (Univ. of Minn. 2010). Data are for 2012. All figures are for employed workers. Median hourly wages: Bureau of Labor Statistics (BLS), Occupational employment Statistics (OES), May 2013 National Occupational and Wage estimate, available at http://www.bls.gov/oes/current/oes nat.htm.

⁴⁵ *Id*.

⁴⁶ See Susan Lambert & Julia Henly, Managers' Strategies for Balancing Business Requirements with EMPLOYEES' NEEDS (2010), available at http://news.uchicago.edu/article/2010/08/31/hourly-workforce-carries-burdenduring-recession-study-finds.

²⁰ *See generally,* COLLATERAL DAMAGE, *supra* note 1.

²¹ LIZ WATSON & JENNIFER SWANBERG, FLEXIBLE WORKPLACE SOLUTIONS FOR LOW-WAGE HOURLY WORKERS: A FRAMEWORK FOR A NATIONAL CONVERSATION 6 (Workplace Flexibility 2010, May, 2011), available at http://workplaceflexibility2010.org/images/uploads/whatsnew/Flexible%20Workplace%20Solutions%20for%20Low-Wage%20Hourly%20Workers.pdf.

⁴⁷ LUCE & FUJITA, *supra* note 30, at 6, 13. *See also* Steven Greenhouse, *A Part-Time Life, as Hours Shrink and Shift,* N.Y. TIMES, Oct, 27, 2012, *available at* http://www.nytimes.com/2012/10/28/business/a-part-time-life-as-hours-shrink-and-shift-for-american-workers.html?pagewanted=all.

⁴⁸ Lonnie Golden, A Brief History of Long Work Time and the Contemporary Sources of Overwork, J. OF BUS. ETHICS 2 (Spring 2008), available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1084323.
⁴⁹ Id.at 7.

⁵⁰ Lonnie Golden & Helene Joregensen, *Time After Time: Mandatory Overtime in the U.S. Economy* (Economic Policy Institute 2002), *available at* http://www.epi.org/publication/briefingpapers_bp120/.

⁵¹ A BETTER BALANCE, FACT SHEET: THE BUSINESS CASE FOR WORKPLACE FLEXIBILITY 2-4 (Nov., 2010), available at http://www.abetterbalance.org/web/images/stories/Documents/fairness/factsheets/BC-2010-A_Better_Balance.pdf.
⁵² Id.

⁵³ Anna Danziger & Shelley Waters Boots, *Lower-Wage Workers and Flexible Work Arrangements*, WORKPLACE FLEXIBILITY 2010 GEORGETOWN UNIVERSITY LAW CENTER 7 (2008), *available at*

http://scholarship.law.georgetown.edu/cgi/viewcontent.cgi?article=1000&context=lega.l

⁵⁴ A BETTER BALANCE, *supra* note 47.