

## Why We Need the Part-time Worker Bill of Rights Act

### Background

The nature of part-time and low-wage work presents an array of obstacles for workers and their families to achieve economic security. The Part-Time Workers Bill of Rights Act (S.3358/H.R. 5991) introduced by Senator Elizabeth Warren (D-MA) and Representative Jan Schakowsky (D-IL), would address the three central hardships facing part-time workers: underemployment for those who work part time but would like more hours; unpredictable and unstable work schedules; and ineligibility for Family and Medical Leave Act (FMLA) leave. Individually and in combination, these drawbacks jeopardize workers' economic well-being and can plunge working families deeper into poverty.

The COVID-19 recession further entrenches part-time workers in a cycle of unstable work hours, lack of leave, low pay, and unpredictable job security. According to recent U.S. Bureau of Labor Statistics data, since the pandemic began, people who usually work part time were twice as likely as full-time workers to have been unable to find work or get offered the hours they sought.<sup>1</sup> Part-time workers are paid 29.3 percent less in wages per hour than full-time employees from similar backgrounds.<sup>2</sup> In addition to low pay, part-time workers also have limited benefits and supports such as health insurance, retirement, or paid leave.<sup>3</sup> The bill would end these hardships and implement broader protections for part-time workers.

### The Issues

#### *Underemployment*

Many U.S. part-time workers want and need to work more hours than they are scheduled for but may not have access to them. Without getting the work hours they need, part-time workers cannot earn more in weekly income, thus constraining workers and their families' financial security. The U.S. Bureau of Labor Statistics defines these workers as part time for economic reasons. More broadly, they are defined as being underemployed. Some of the workers with the highest rates of underemployment are those experiencing volatile work schedules, who are employed in low-wage sectors and are workers of color.<sup>4</sup> During the COVID-19 pandemic and induced recession, rates of underemployment have risen, peaking at 10.9 million people in April.<sup>5</sup> When using more accurate measures of underemployment, these rates can be even higher.<sup>6</sup> Underemployment impedes part-time workers' access to more work hours, preventing them from securing more stable paying work.

#### *Unpredictable Scheduling and Unstable Work Schedules*

Volatile work schedules and unpredictable scheduling hurt workers' ability to plan for their future, putting their livelihood and families' well-being at risk. These barriers particularly harm part-time workers. Approximately one in six workers report having a job schedule that varies based on the needs of their employer—and many such workers are paid low wages and are people of color.<sup>7</sup> Workers of color, and more

specifically women of color, face some of the highest rates of just-in-time scheduling and unpredictable work scheduling practices.<sup>8</sup> Unstable work schedules and unpredictable scheduling are particularly harmful to these marginalized workers for a variety of reasons that include:

- Fluctuating work hours from volatile work schedules may impact workers' weekly take-home earnings, presenting barriers to pay bills or budget for the future.
- Unpredictable schedules make it difficult to plan for caregiving arrangements and expenses. Parents with young children may face particular challenges accessing regular, stable child care.
- Insufficient hours also put workers at risk of losing their eligibility for crucial programs that support basic needs like the Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF), which have minimum work hour requirements.<sup>9</sup>
- Work schedule instability has also been linked to several health risks including psychological distress, unhappiness, and poor sleep quality, underscoring its instability's intersecting social and economic costs.<sup>10</sup>

### ***Access to FMLA Leave and Other Benefits***

Many part-time workers and workers paid low wages either cannot afford to take unpaid leave under the Family and Medical Leave Act (FMLA) or are ineligible for the benefit. In particular, the requirement to work at least 1,250 hours for an employer during a 12-month period prevents many part-time workers from accessing unpaid leave. The lack of available leave for workers is also a consequence of volatile work schedules and pervasive underemployment.

Additionally, many part-time workers may not have access to crucial long-term benefits—such as retirement plans—that are vital to the long-term economic health of working families. Being denied pension plans and employer-sponsored retirement benefits hurts workers' ability to accumulate wealth, especially among workers of color, widening the racial wealth gap.<sup>11</sup>

### **Solution: The Part-time Worker Bill of Rights Act (S.3358/H.R. 5991)**

Without stronger, more inclusive benefits and protections for part-time workers, these hardships will continue to make it difficult for them to balance personal, familial, and work responsibilities as well as their finances.

The Part-Time Workers Bill of Rights (S.3358/H.R. 5991) introduced by Senator Elizabeth Warren (D-MA) and Representative Jan Schakowsky (D-IL), would offer and extend crucial benefits to part-time workers. It would expand their access to family leave, provide them with access to additional hours, and improve their retirement and pension coverage.

### **Key Provisions of the bill**

- **Promotes part-time parity by prohibiting discrimination against part-time workers.** The legislation prevents employers from discriminating against their part-time employees with respect to compensation; promotional opportunities; eligibility to accrue paid and unpaid time off; and providing employees notice of new work hours in a timely manner.

- **Requires employers to provide newly available/additional hours to existing, available, and qualified part-time workers<sup>12</sup> before hiring a new employee or subcontractor.**
  - At hire, employers with more than 500 employees must obtain part-time employees' desired number of weekly hours and available times. The employer must then schedule their existing employees for the weekly hours they identified before hiring someone else to work those same hours.
  - If an employer does not schedule existing employees for their desired total weekly work hours, an employee is eligible to be compensated for every hour a newly hired employee is scheduled during the existing employee's available times.
- **Expands access to federal family and medical leave to part-time workers.** The legislation eliminates the current hours of service requirement in the Family and Medical Leave Act (FMLA). This guarantees that any employee who works for an employer covered by the FMLA and has been employed for at least 12 months, regardless of the number of hours worked per week, will be eligible for unpaid leave under the Family and Medical Leave Act.
- **Improves pension and retirement coverage for part-time workers.** If an employer offers retirement and pension plans to its full-time employees, they must also offer these plans to part-time workers who have worked at least 500 hours for two consecutive years.

## Conclusion

The Part-Time Workers Bill of Rights Act addresses many structural obstacles to part-time workers' economic security. In addition to advancing this measure, policymakers must support strategic enforcement to safeguard its protections and ensure agency and employer compliance.<sup>13</sup> Supporting the needs of part-time workers requires the passage of laws like this one, and adequate enforcement and implementation.

Through many of its provisions, the Part-Time Workers Bill of Rights Act will ensure equitable treatment in the workplace and provide crucial protections to workers who most desperately need it.

# Endnotes

- <sup>1</sup> Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey: *Supplemental data measuring the effects of the coronavirus (COVID-19) pandemic on the labor market*, Table 7, U.S. Bureau of Labor Statistics, 2020, <https://www.bls.gov/cps/effects-of-the-coronavirus-covid-19-pandemic.htm>.
- <sup>2</sup> Lonnie Golden, *Part-time Workers Pay a Big-Time Penalty*, Economic Policy Institute, 2020, <https://www.epi.org/publication/part-time-pay-penalty/>.
- <sup>3</sup> Ibid. Only about 16.4 percent of part-time workers' compensation is made up of benefits compared to 20.1 percent of full-time workers' compensation.
- <sup>4</sup> Lonnie Golden and Jaeseung Kim, *The Involuntary Part-time Work and Underemployment Problem in the U.S.*, Center for Law and Social Policy, 2020, <https://www.clasp.org/publications/report/brief/involuntary-part-time-work-and-underemployment-problem-us>.
- <sup>5</sup> Adewale Maye, Asha Banerjee, and Cameron Johnson, *Disastrous Jobs Report Underscores Need for Protections and Relief*, Center for Law and Social Policy, 2020, <https://www.clasp.org/publications/fact-sheet/disastrous-jobs-report-underscores-need-protection-and-relief>.
- <sup>6</sup> Lonnie Golden and Jaeseung Kim, *The Involuntary Part-time Work and Underemployment Problem in the U.S.*, Center for Law and Social Policy, 2020, <https://www.clasp.org/publications/report/brief/involuntary-part-time-work-and-underemployment-problem-us>.
- <sup>7</sup> Board of Governors of the Federal Reserve System, *Report on the Economic Well-Being of U.S. Households in 2019*, May 2020, U.S. Federal Reserve, <https://www.federalreserve.gov/publications/2020-economic-well-being-of-us-households-in-2019-preface.htm>.
- <sup>8</sup> Daniel Schneider and Kristen Harknett, *It's About Time: How Work Schedule Instability Matters for Workers, Families, and Racial Inequality*, Shift Project, 2019, <https://shift.hks.harvard.edu/its-about-time-how-work-schedule-instability-matters-for-workers-families-and-racial-inequality/>.
- <sup>9</sup> Kiese Hansen, *Why Workers and Their Families Need Predictable Scheduling*, Center for Law and Social Policy, 2019, <https://www.clasp.org/publications/report/brief/why-workers-and-their-families-need-predictable-scheduling>.
- <sup>10</sup> Daniel Schneider, Kristen Harknett, and Megan Collins, *Consequences of Routine Work Schedule Instability for Worker Health and Wellbeing*, Shift Project, 2019, <https://shift.hks.harvard.edu/consequences-of-routine-work-schedule-instability-for-worker-health-and-wellbeing/>.
- <sup>11</sup> Monique Morrissey, *White Workers Have Nearly Five Times as Much Wealth in Retirement Accounts as Black Workers*, Economic Policy Institute, 2016, <https://www.epi.org/publication/white-workers-have-nearly-five-times-as-much-wealth-in-retirement-accounts-as-black-workers/>.
- <sup>12</sup> Part-time employees are workers working 35 hours or fewer during a given work week.
- <sup>13</sup> Tanya Goldman, *The Labor Standards Enforcement Toolbox: Introduction to Strategic Enforcement*, Center for Law and Social Policy, 2018, <https://www.clasp.org/publications/report/brief/labor-standards-enforcement-toolbox-introduction-strategic-enforcement>.