K3, L6, P4 6lr2434 CF 6lr0706

By: Senators Pugh, Benson, Conway, Currie, Feldman, Ferguson, Guzzone, Kagan, King, Lee, Madaleno, Manno, McFadden, Middleton, Muse, Peters, Ramirez, Raskin, Rosapepe, and Young

Introduced and read first time: February 3, 2016

Assigned to: Finance

A BILL ENTITLED

AN ACT concerning

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Labor and Employment – Family and Medical Leave Insurance Program – Establishment

FOR the purpose of establishing the Family and Medical Leave Insurance Program; prohibiting an employee from disclosing certain information; authorizing a self-employed individual to elect to participate in the Program by filing a certain notice with the Secretary of Labor, Licensing, and Regulation; providing that a certain election becomes effective on the date a certain notice is filed; requiring a certain individual to participate in the Program for a certain initial period; authorizing a certain individual to renew participation in the Program for a certain period; requiring a certain individual to notify the Secretary in writing of the individual's withdrawal from the Program within a certain time period; requiring a certain individual to pay a certain contribution rate during a certain period; providing that an employee's right to benefits under this Act may not be diminished by a collective bargaining agreement entered into or renewed or an employer policy adopted or retained after a certain date; providing that a certain agreement is void as against public policy; stating the purpose of the Program; providing for the manner in which the Program is to be administered; providing for the powers and duties of the Secretary under the Program; establishing the Family and Medical Leave Insurance Fund as a special fund; providing for the administration of the Fund; specifying the contents of the Fund; specifying the purposes for which the Fund may be used; requiring, beginning on a certain date, certain employees to pay the Secretary certain contributions; requiring the Secretary to establish in regulation the rate of contribution; requiring the rate of contribution to be sufficient to fund the benefits payable under this Act; requiring, beginning on a certain date, an individual to meet certain conditions to be eligible for benefits; authorizing a covered employee to take certain leave on an intermittent leave schedule; requiring a covered employee who is taking certain leave on an intermittent leave schedule to take certain action; prohibiting an employer from taking certain action if leave is



1 taken on an intermittent leave schedule; providing for the manner in which benefits 2 are to be calculated and paid; requiring the Division of Unemployment Insurance, 3 under certain circumstances, to notify certain individuals of certain information 4 regarding the federal income tax; requiring the Division, under certain 5 circumstances, to deduct and withhold a certain amount from benefits paid; 6 providing for the manner in which certain employees who receive benefits are to be 7 treated by employers; establishing certain prohibited acts; authorizing the Division 8 to seek repayment of benefits under certain circumstances; authorizing the Secretary 9 to waive the repayment of benefits under certain circumstances; exempting the Fund 10 from a certain provision of law; providing for the construction and application of this Act; providing that this Act preempts the authority of a local jurisdiction to adopt 11 certain laws, ordinances, rules, and regulations; requiring the Secretary to adopt 12 13 certain regulations on or before a certain date; defining certain terms; stating the 14 intent of the General Assembly; and generally relating to the Family and Medical 15 Leave Insurance Program.

- 16 BY repealing and reenacting, with amendments,
- 17 Article Labor and Employment
- 18 Section 8–302
- 19 Annotated Code of Maryland
- 20 (2008 Replacement Volume and 2015 Supplement)
- 21 BY adding to
- 22 Article Labor and Employment
- Section 8.3–101 through 8.3–901 to be under the new title "Title 8.3. Family and
- 24 Medical Leave Insurance Program"
- 25 Annotated Code of Maryland
- 26 (2008 Replacement Volume and 2015 Supplement)
- 27 BY repealing and reenacting, without amendments,
- 28 Article State Finance and Procurement
- 29 Section 6–226(a)(1) and (2)(i)
- 30 Annotated Code of Maryland
- 31 (2015 Replacement Volume)
- 32 BY repealing and reenacting, with amendments,
- 33 Article State Finance and Procurement
- 34 Section 6–226(a)(2)(ii)84. and 85.
- 35 Annotated Code of Maryland
- 36 (2015 Replacement Volume)
- 37 BY adding to
- 38 Article State Finance and Procurement
- 39 Section 6–226(a)(2)(ii)86.
- 40 Annotated Code of Maryland
- 41 (2015 Replacement Volume)

| 1 2 | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: |
|----------------|---|
| 3 | Article – Labor and Employment |
| 4 | 8–302. |
| 5 | (a) There is a Division of Unemployment Insurance. |
| 6 7 | (b) The Division of Unemployment Insurance shall perform any function that the Secretary assigns to it to carry out this title AND TITLE 8.3 OF THIS ARTICLE . |
| 8 | TITLE 8.3. FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM. |
| 9 | SUBTITLE 1. DEFINITIONS; GENERAL PROVISIONS. |
| 10 | 8.3–101. |
| 11 12 | (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED. |
| 13 14 15 | (B) "ADOPTED CHILD" MEANS A CHILD ADOPTED BY OR PLACED FOR ADOPTION WITH AN EMPLOYEE OR THE EMPLOYEE'S SPOUSE OR DOMESTIC PARTNER. |
| 16 17 18 | (C) "APPLICATION YEAR" MEANS THE 12-MONTH PERIOD BEGINNING ON THE FIRST DAY OF THE CALENDAR WEEK IN WHICH A COVERED EMPLOYEE FILES AN APPLICATION FOR BENEFITS. |
| 19 20 | (D) "BENEFITS" MEANS THE MONEY PAYABLE UNDER THIS TITLE TO A COVERED EMPLOYEE. |
| 21 | (E) "CHILD" MEANS: |
| 22 | (1) AN ADOPTED CHILD; |
| 23 | (2) A BIOLOGICAL CHILD; |
| 24 | (3) A FOSTER CHILD; |
| 25 | (4) A LEGAL WARD; |
| 26 | (5) A STEPCHILD; OR |

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(9)

1 A CHILD WITH RESPECT TO WHOM AN INDIVIDUAL STANDS IN **(6)** 2 LOCO PARENTIS. (F) "COVERED EMPLOYEE" MEANS AN EMPLOYEE WHO HAS EARNED AT 3 LEAST \$1,800 IN WAGES DURING: 4 5 **(1)** THE FIRST 4 OF THE LAST 5 COMPLETED CALENDAR QUARTERS 6 IMMEDIATELY PRECEDING THE START OF AN APPLICATION YEAR; OR 7 **(2)** THE 4 MOST RECENTLY COMPLETED CALENDAR QUARTERS IMMEDIATELY PRECEDING THE START OF AN APPLICATION YEAR ONLY IF THE 8 EMPLOYEE APPLYING FOR THE BENEFITS DOES NOT QUALIFY FOR ANY BENEFITS 9 UNDER THIS TITLE USING THE DEFINITION IN ITEM (1) OF THIS SUBSECTION. 10 11 (G) "DEPARTMENT" MEANS THE DEPARTMENT OF LABOR, LICENSING, AND 12 REGULATION. "EMPLOYER" MEANS A PERSON OR GOVERNMENTAL ENTITY THAT 13 EMPLOYS AT LEAST ONE INDIVIDUAL IN THE STATE. 14 "FAMILY MEMBER" MEANS: 15 **(I)** 16 **(1)** A CHILD; 17 **(2)** A PARENT; 18 **(3)** A PARENT-IN-LAW; 19 **(4)** A GRANDPARENT OR STEPGRANDPARENT OF AN EMPLOYEE OR 20 THE EMPLOYEE'S SPOUSE OR DOMESTIC PARTNER; 21 **(5)** A GRANDCHILD OR STEPGRANDCHILD OF AN EMPLOYEE OR THE 22EMPLOYEE'S SPOUSE OR DOMESTIC PARTNER; 23**(6)** A SPOUSE; 24**(7)** A DOMESTIC PARTNER; 25**(8)** A SIBLING;

THE SPOUSE OR DOMESTIC PARTNER OF A SIBLING; OR

- (10) ANY OTHER INDIVIDUAL RELATED BY BLOOD OR AFFINITY WHOSE 1 CLOSE ASSOCIATION WITH THE EMPLOYEE IS EQUIVALENT TO A FAMILY 23 RELATIONSHIP. "FUND" MEANS THE FAMILY AND MEDICAL LEAVE INSURANCE FUND 4 ESTABLISHED UNDER § 8.3-501 OF THIS TITLE. 5 6 "GOVERNMENTAL ENTITY" HAS THE MEANING STATED IN § 8–101 OF 7 THIS ARTICLE. "INDIVIDUAL WHO STANDS IN LOCO PARENTIS" MEANS, WHETHER OR 8 (L) NOT A BIOLOGICAL OR LEGAL RELATIONSHIP EXISTS, AN INDIVIDUAL: 9 10 WHO HAS DAY-TO-DAY RESPONSIBILITIES TO CARE FOR AND **(1)** 11 FINANCIALLY SUPPORT A CHILD; OR 12 **(2)** IN THE CASE OF AN EMPLOYEE OR THE EMPLOYEE'S SPOUSE OR DOMESTIC PARTNER, WHO HAD RESPONSIBILITY FOR THE EMPLOYEE OR THE 13 SPOUSE OR DOMESTIC PARTNER WHEN THE EMPLOYEE OR THE SPOUSE OR 14 DOMESTIC PARTNER WAS A CHILD. 15 16 (M) "NEWBORN CHILD" MEANS A CHILD UNDER THE AGE OF 1 YEAR. "NEXT OF KIN" MEANS THE NEAREST BLOOD RELATIVE. (N) 17 (0)"PARENT" MEANS: 18 19 **(1)** AN ADOPTIVE PARENT; 20**(2)** A BIOLOGICAL PARENT; 21**(3)** A FOSTER PARENT; 22**(4)** A LEGAL GUARDIAN; 23**(5)** A STEPPARENT; OR AN INDIVIDUAL WHO STANDS IN LOCO PARENTIS TO AN 24**(6)**
- 26 (P) "PARENT-IN-LAW" MEANS:

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EMPLOYEE.

- 6 **(1)** 1 THE PARENT OF AN EMPLOYEE'S SPOUSE OR DOMESTIC PARTNER; 2 OR 3 **(2)** AN INDIVIDUAL WHO STANDS IN LOCO PARENTIS TO AN EMPLOYEE'S SPOUSE OR DOMESTIC PARTNER. 4 "PROGRAM" MEANS THE FAMILY AND MEDICAL LEAVE INSURANCE 5 (Q) 6 PROGRAM. "QUALIFYING EXIGENCY" MEANS ANY OF THE FOLLOWING REASONS 7 FOR WHICH LEAVE MAY BE NEEDED BY A FAMILY MEMBER OF A SERVICE MEMBER: 8 9 **(1)** BECAUSE THE SERVICE MEMBER HAS RECEIVED NOTICE OF DEPLOYMENT WITHIN 7 DAYS BEFORE THE DEPLOYMENT IS TO BEGIN: 10 11 **(2)** TO ATTEND MILITARY EVENTS AND RELATED ACTIVITIES; 12 TO ATTEND CHILD CARE OR SCHOOL ACTIVITIES ONLY BECAUSE 13 THE SERVICE MEMBER IS ON ACTIVE DUTY CALL OR ACTIVE DUTY STATUS; 14 **(4)** TO MAKE FINANCIAL AND LEGAL ARRANGEMENTS FOR THE 15 SERVICE MEMBER'S ABSENCE OR BECAUSE OF THE ABSENCE; 16 **(5)** TO ATTEND COUNSELING THAT: 17 (I)IS NEEDED DUE TO THE ACTIVE DUTY OR CALL TO ACTIVE 18 DUTY STATUS OF THE SERVICE MEMBER; AND 19 (II)IS PROVIDED BY AN INDIVIDUAL WHO IS NOT A LICENSED 20 **HEALTH CARE PROVIDER;** 21 TO SPEND NO MORE THAN 5 DAYS WITH A SERVICE MEMBER WHO 22IS ON SHORT-TERM TEMPORARY REST AND RECUPERATION LEAVE DURING THE 23PERIOD OF DEPLOYMENT; 24**(7)** TO ATTEND POSTDEPLOYMENT ACTIVITIES; OR 25 **(8)** BECAUSE OF ANY OTHER ISSUES THAT ARISE OUT OF ACTIVE DUTY
- 26OR A CALL TO ACTIVE DUTY THAT AN EMPLOYER AND AN EMPLOYEE AGREE SHOULD
- 27BE COVERED.
- "SECRETARY" MEANS THE SECRETARY OF LABOR, LICENSING, AND 28 REGULATION. 29

- 1 (T) "SERIOUS HEALTH CONDITION" MEANS AN ILLNESS, AN INJURY, AN 2 IMPAIRMENT, OR A PHYSICAL OR MENTAL CONDITION THAT INVOLVES:
- 3 (1) INPATIENT CARE IN A HOSPITAL, HOSPICE, OR RESIDENTIAL 4 HEALTH CARE FACILITY; OR
- 5 (2) CONTINUED TREATMENT BY A LICENSED HEALTH CARE 6 PROVIDER.
- 7 (U) "SERVICE MEMBER" MEANS AN INDIVIDUAL WHO IS AN ACTIVE DUTY 8 MEMBER OF:
- 9 (1) THE UNITED STATES ARMED FORCES;
- 10 (2) A RESERVE COMPONENT OF THE UNITED STATES ARMED FORCES;
- 11 **OR**
- 12 (3) THE NATIONAL GUARD OF ANY STATE.
- 13 **8.3–102.**
- 14 THIS TITLE PREEMPTS THE AUTHORITY OF A LOCAL JURISDICTION TO ADOPT
- 15 A LAW, AN ORDINANCE, A RULE, OR A REGULATION ESTABLISHING OR
- 16 IMPLEMENTING A FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM.
- 17 **8.3–103.**
- 18 (A) THIS SECTION DOES NOT APPLY TO THE DISCLOSURE OF INFORMATION
- 19 **TO:**
- 20 (1) A PUBLIC EMPLOYEE IN THE PERFORMANCE OF THE PUBLIC
- 21 EMPLOYEE'S OFFICIAL DUTIES;
- 22 (2) THE INDIVIDUAL TO WHOM THE INFORMATION PERTAINS; OR
- 23 (3) IF AN AUTHORIZED REPRESENTATIVE HAS THE SIGNED
- 24 AUTHORIZATION OF THE INDIVIDUAL TO WHOM THE INFORMATION PERTAINS, THE
- 25 AUTHORIZED REPRESENTATIVE.
- 26 (B) AN EMPLOYEE OF THE DEPARTMENT MAY NOT DISCLOSE INFORMATION
- 27 PERTAINING TO AN INDIVIDUAL WHO HAS APPLIED FOR OR RECEIVED BENEFITS
- 28 UNDER THIS TITLE.

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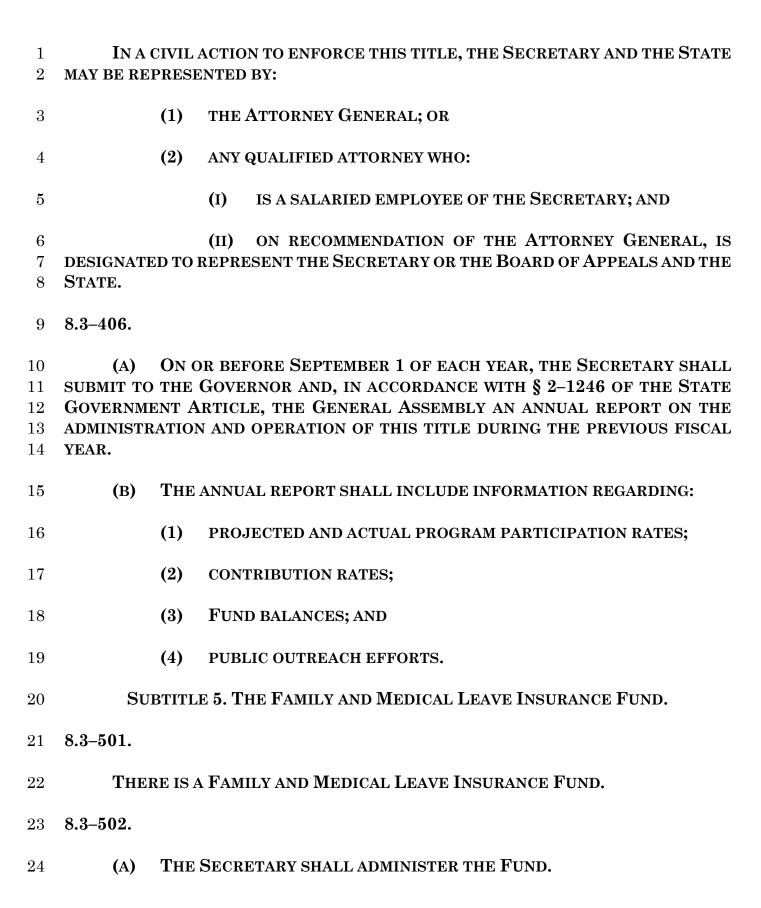
SUBTITLE 2. SCOPE OF TITLE.

- 2 **8.3–201**.
- 3 (A) (1) A SELF-EMPLOYED INDIVIDUAL MAY ELECT TO PARTICIPATE IN 4 THE PROGRAM BY FILING A WRITTEN NOTICE OF ELECTION WITH THE SECRETARY.
- 5 (2) AN ELECTION MADE UNDER PARAGRAPH (1) OF THIS SUBSECTION 6 BECOMES EFFECTIVE ON THE DATE THE WRITTEN NOTICE IS FILED.
- 7 (B) (1) IF A SELF-EMPLOYED INDIVIDUAL ELECTS TO PARTICIPATE IN 8 THE PROGRAM UNDER SUBSECTION (A) OF THIS SECTION, THE INDIVIDUAL SHALL 9 PARTICIPATE FOR AN INITIAL PERIOD OF NOT LESS THAN 3 YEARS.
- 10 (2) ONCE THE INITIAL PARTICIPATION PERIOD EXPIRES, THE 11 SELF-EMPLOYED INDIVIDUAL MAY RENEW PARTICIPATION IN THE PROGRAM FOR A 12 PERIOD OF NOT LESS THAN 1 YEAR.
- 13 (3) If the self-employed individual does not wish to renew Participation in the Program under paragraph (2) of this subsection, Within 30 days before the Participation period expires, the Self-employed individual shall notify the Secretary in writing of the Self-employed individual's withdrawal from the Program.
- 18 (C) DURING THE PERIOD A SELF-EMPLOYED INDIVIDUAL PARTICIPATES IN
 19 THE PROGRAM, THE SELF-EMPLOYED INDIVIDUAL SHALL PAY THE EMPLOYEE
 20 CONTRIBUTION REQUIRED UNDER § 8.3–601 OF THIS TITLE.
- 21 **8.3–202.**
- THIS TITLE MAY NOT BE CONSTRUED TO DIMINISH AN EMPLOYER'S OBLIGATION TO COMPLY WITH A COLLECTIVE BARGAINING AGREEMENT OR AN EMPLOYER POLICY THAT ALLOWS AN EMPLOYEE TO TAKE LEAVE FOR A LONGER PERIOD OF TIME THAN THE EMPLOYEE WOULD BE ABLE TO RECEIVE BENEFITS
- 26 UNDER THIS TITLE.
- 27 **8.3–203.**
- (A) AN EMPLOYEE'S RIGHT TO BENEFITS UNDER THIS TITLE MAY NOT BE DIMINISHED BY A COLLECTIVE BARGAINING AGREEMENT ENTERED INTO OR RENEWED OR AN EMPLOYER POLICY ADOPTED OR RETAINED ON OR AFTER JUNE 1, 31 2016.

- 1 (B) AN AGREEMENT BY AN EMPLOYEE TO WAIVE THE EMPLOYEE'S RIGHTS UNDER THIS TITLE IS VOID AS AGAINST PUBLIC POLICY.
- 3 SUBTITLE 3. ESTABLISHMENT OF PROGRAM.
- 4 **8.3–301.**
- 5 THERE IS A FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM.
- 6 **8.3–302.**
- 7 THE PURPOSE OF THE PROGRAM IS TO PROVIDE TEMPORARY BENEFITS TO AN
- 8 EMPLOYEE WHO IS TAKING PARTIALLY PAID OR UNPAID LEAVE FROM EMPLOYMENT:
- 9 (1) TO CARE FOR A NEWBORN CHILD OR A CHILD NEWLY PLACED FOR
- 10 ADOPTION OR FOSTER CARE WITH THE EMPLOYEE DURING THE FIRST YEAR AFTER
- 11 THE BIRTH, ADOPTION, OR PLACEMENT;
- 12 (2) TO CARE FOR A FAMILY MEMBER WITH A SERIOUS HEALTH
- 13 CONDITION;
- 14 (3) BECAUSE THE EMPLOYEE HAS A SERIOUS HEALTH CONDITION
- 15 THAT RESULTS IN THE EMPLOYEE BEING UNABLE TO PERFORM THE FUNCTIONS OF
- 16 THE POSITION OF THE EMPLOYEE;
- 17 (4) TO CARE FOR A SERVICE MEMBER WHO IS THE EMPLOYEE'S NEXT
- 18 OF KIN; OR
- 19 (5) BECAUSE THE EMPLOYEE HAS A QUALIFYING EXIGENCY ARISING
- 20 OUT OF THE DEPLOYMENT OF A FAMILY MEMBER OF THE EMPLOYEE.
- 21 SUBTITLE 4. ADMINISTRATION.
- 22 **8.3–401.**
- This title shall be administered under the supervision of the
- 24 SECRETARY BY THE DIVISION OF UNEMPLOYMENT INSURANCE ESTABLISHED
- 25 UNDER § 8–302 OF THIS ARTICLE.
- 26 **8.3–402.**

- 1 THE SECRETARY MAY DELEGATE TO AN EMPLOYEE OF THE DEPARTMENT ANY
- 2 POWER OR DUTY THAT IS REASONABLE AND PROPER FOR THE ADMINISTRATION OF
- 3 THIS TITLE.
- 4 **8.3–403**.
- 5 (A) THE SECRETARY SHALL:
- 6 (1) SUBJECT TO SUBSECTION (B) OF THIS SECTION, ADOPT 7 REGULATIONS NECESSARY TO CARRY OUT THIS TITLE;
- 8 (2) ESTABLISH PROCEDURES AND FORMS FOR FILING CLAIMS FOR
- 9 BENEFITS, INCLUDING PROCEDURES FOR NOTIFYING AN EMPLOYER WITHIN 5
- 10 BUSINESS DAYS AFTER AN EMPLOYEE OF THE EMPLOYER FILES A CLAIM FOR
- 11 BENEFITS UNDER THIS TITLE;
- 12 (3) USE INFORMATION-SHARING AND INTEGRATION TECHNOLOGY
- 13 TO FACILITATE THE DISCLOSURE OF RELEVANT INFORMATION OR RECORDS
- 14 NEEDED FOR THE ADMINISTRATION OF THIS TITLE; AND
- 15 (4) SUBJECT TO SUBSECTION (C) OF THIS SECTION, CARRY OUT A
- 16 PUBLIC EDUCATION PROGRAM FOR THE PURPOSE OF EDUCATING THE PUBLIC
- 17 ABOUT BENEFITS AVAILABLE TO EMPLOYEES UNDER THIS TITLE.
- 18 (B) THE REGULATIONS ADOPTED UNDER SUBSECTION (A)(1) OF THIS
- 19 SECTION SHALL BE CONSISTENT WITH REGULATIONS ADOPTED TO IMPLEMENT THE
- 20 FEDERAL FAMILY AND MEDICAL LEAVE ACT AND ANY RELEVANT STATE LAWS TO
- 21 THE EXTENT THAT THE ADOPTED REGULATIONS DO NOT CONFLICT WITH THIS
- 22 **TITLE.**
- 23 (C) (1) THE SECRETARY MAY USE A PORTION OF THE FUNDS PAID UNDER
- § 8.3-601 OF THIS TITLE OR OTHER AVAILABLE FUNDING TO PAY FOR AND CARRY
- 25 OUT THE PUBLIC EDUCATION PROGRAM REQUIRED UNDER SUBSECTION (A)(4) OF
- 26 THIS SECTION.
- 27 (2) MATERIALS USED IN THE PUBLIC EDUCATION PROGRAM
- 28 REQUIRED UNDER SUBSECTION (A)(4) OF THIS SECTION SHALL BE MADE AVAILABLE
- 29 IN ENGLISH AND SPANISH.
- 30 **8.3–404.**
- 31 (A) TO ENFORCE THIS TITLE, THE SECRETARY MAY:

- 1 (1) CONDUCT AN INVESTIGATION UNDER THIS TITLE, ON THE 2 SECRETARY'S OWN INITIATIVE OR BY RECEIPT OF A WRITTEN COMPLAINT;
- 3 (2) ADMINISTER AN OATH;
- 4 (3) CERTIFY TO AN OFFICIAL ACT;
- 5 (4) TAKE A DEPOSITION;
- 6 (5) ISSUE A SUBPOENA FOR THE ATTENDANCE OF A WITNESS TO 7 TESTIFY OR THE PRODUCTION OF BOOKS, CORRESPONDENCE, MEMORANDA, 8 PAPERS OF OTHER RECORDS: AND
- 8 PAPERS, OR OTHER RECORDS; AND
- 9 **(6)** BRING A CIVIL ACTION IN THE COUNTY WHERE THE VIOLATION 10 ALLEGEDLY OCCURRED.
- 11 (B) (1) A SUBPOENA ISSUED UNDER SUBSECTION (A)(5) OF THIS SECTION 12 SHALL BE SERVED IN ANY MANNER IN WHICH A SUBPOENA OF A COURT MAY BE 13 SERVED.
- 14 (2) If A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED UNDER SUBSECTION (A)(5) OF THIS SECTION ON A COMPLAINT FILED BY THE SECRETARY,
- 16 THE CIRCUIT COURT FOR THE COUNTY WHERE THE INVESTIGATION IS BEING
- 17 CONDUCTED OR WHERE THE PERSON RESIDES, IS PRESENT, OR TRANSACTS
- 18 BUSINESS MAY ISSUE AN ORDER DIRECTING COMPLIANCE WITH THE SUBPOENA OR
- 19 COMPELLING TESTIMONY.
- 20 (3) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, A 21 PERSON MAY NOT BE EXCUSED FROM COMPLYING WITH A SUBPOENA ISSUED UNDER
- 22 SUBSECTION (A)(5) OF THIS SECTION ON THE GROUND THAT THE EVIDENCE OR
- 23 TESTIMONY REQUIRED MAY TEND TO INCRIMINATE THE PERSON OR SUBJECT THE
- 24 PERSON TO A FORFEITURE OR PENALTY.
- 25 (II) 1. EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF
- 26 THIS SUBPARAGRAPH, AFTER CLAIMING THE PRIVILEGE AGAINST
- 27 SELF-INCRIMINATION, A PERSON MAY NOT BE PROSECUTED OR SUBJECTED TO ANY
- 28 FORFEITURE OR PENALTY BECAUSE OF ANY MATTER, THING, OR TRANSACTION
- 29 ABOUT WHICH THE PERSON IS COMPELLED TO PRODUCE EVIDENCE OR TESTIFY.
- 30 **2. IF THE PERSON COMMITS PERJURY WHILE GIVING**
- 31 TESTIMONY, THE PERSON IS SUBJECT TO PROSECUTION FOR THAT OFFENSE.
- 32 **8.3–405**.



THE FUND SHALL BE A SPECIAL FUND THAT IS SEPARATE FROM STATE 1 (B) MONEY. 3 8.3-503. (A) THE FUND SHALL CONSIST OF: 4 5 **(1) EMPLOYEE CONTRIBUTIONS;** 6 **(2)** MONEY PAID TO THE FUND FOR THE PURPOSE OF REIMBURSING 7 THE SECRETARY UNDER § 8.3–802 OF THIS TITLE FOR BENEFITS PAID IN ERROR; 8 INTEREST EARNED ON MONEY IN THE FUND; AND **(3)** 9 **(4)** MONEY RECEIVED FOR THE FUND FROM ANY OTHER SOURCE. MONEY IN THE FUND SHALL BE COMMINGLED. 10 **(B)** (C) THE FUND SHALL BE USED ONLY FOR THE PURPOSES OF THIS TITLE. 11 12 8.3-504. THE STATE TREASURER IS CUSTODIAN OF THE FUND. **(1)** 13 (A) 14 **(2)** THE STATE TREASURER SHALL MANAGE THE FUND IN ACCORDANCE WITH REGULATIONS THAT THE SECRETARY ADOPTS. 15 UNDER THE DIRECTION OF THE SECRETARY, THE STATE TREASURER 16 SHALL ESTABLISH THE FUND ACCOUNT IN ANY FINANCIAL INSTITUTION IN WHICH 17 THE GENERAL FUND OF THE STATE MAY BE DEPOSITED. 18 19 ON RECEIPT OF ANY MONEY PAYABLE TO THE FUND, THE SECRETARY SHALL ENSURE IMMEDIATE DEPOSIT OF THE MONEY INTO THE FUND ACCOUNT AS 20 REQUIRED BY THE STATE TREASURER. 2122 IN ACCORDANCE WITH REGULATIONS THAT THE SECRETARY ADOPTS, MONEY IN THE FUND ACCOUNT: 2324**(1)** SHALL BE USED TO PAY BENEFITS UNDER THIS TITLE; AND 25**(2)** MAY BE USED TO PAY FOR:

- 1 (I) THE PUBLIC EDUCATION PROGRAM REQUIRED UNDER § 2 8.3–403(A)(4) OF THIS TITLE; AND
- 3 (II) ANY COSTS ASSOCIATED WITH THE INITIAL 4 IMPLEMENTATION OF THIS TITLE.
- 5 **8.3–505**.
- A CHECK THAT THE STATE TREASURER ISSUES TO PAY BENEFITS OR REFUNDS SHALL:
- 8 (1) BE ISSUED ONLY ON A WARRANT SIGNED BY THE SECRETARY;
- 9 (2) BEAR THE SIGNATURE OF THE STATE TREASURER; AND
- 10 (3) BE COUNTERSIGNED BY AN AUTHORIZED AGENT.
- 11 **8.3–506**.
- THIS TITLE DOES NOT GRANT AN EMPLOYEE ANY PRIOR CLAIM OR RIGHT TO MONEY THE EMPLOYEE PAYS INTO THE FUND.
- 14 SUBTITLE 6. CONTRIBUTIONS.
- 15 **8.3–601.**
- 16 (A) BEGINNING ON JANUARY 1, 2017, EACH EMPLOYEE SHALL PAY TO THE SECRETARY CONTRIBUTIONS FOR THE FUND ON WAGES FOR EMPLOYMENT THAT IS PERFORMED FOR AN EMPLOYER.
- 19 **(B) (1)** SUBJECT TO PARAGRAPH **(2)** OF THIS SUBSECTION, THE 20 SECRETARY SHALL ESTABLISH IN REGULATION THE RATE OF CONTRIBUTION AN 21 EMPLOYEE IS REQUIRED TO PAY UNDER SUBSECTION **(A)** OF THIS SECTION.
- 22 (2) THE RATE OF CONTRIBUTION ESTABLISHED UNDER PARAGRAPH
 23 (1) OF THIS SUBSECTION SHALL BE SUFFICIENT TO FUND THE BENEFITS PAYABLE
 24 UNDER THIS TITLE.
- 25 SUBTITLE 7. BENEFITS.
- 26 **8.3–701.**

- 1 (A) BEGINNING ON JULY 1, 2018, TO BE ELIGIBLE FOR BENEFITS, A
- 2 COVERED EMPLOYEE MUST BE TAKING PARTIALLY PAID OR UNPAID LEAVE FROM
- 3 EMPLOYMENT BECAUSE THE COVERED EMPLOYEE:
- 4 (1) IS CARING FOR A NEWBORN CHILD OR A CHILD NEWLY PLACED
- 5 FOR ADOPTION OR FOSTER CARE WITH THE COVERED EMPLOYEE DURING THE FIRST
- 6 YEAR AFTER THE BIRTH, ADOPTION, OR PLACEMENT;
- 7 (2) IS CARING FOR A FAMILY MEMBER WITH A SERIOUS HEALTH
- 8 CONDITION;
- 9 (3) HAS A SERIOUS HEALTH CONDITION THAT RESULTS IN THE
- 10 COVERED EMPLOYEE BEING UNABLE TO PERFORM THE FUNCTIONS OF THE
- 11 POSITION OF THE COVERED EMPLOYEE;
- 12 (4) IS CARING FOR A SERVICE MEMBER WHO IS THE COVERED
- 13 EMPLOYEE'S NEXT OF KIN; OR
- 14 (5) HAS A QUALIFYING EXIGENCY ARISING OUT OF THE DEPLOYMENT
- 15 OF A FAMILY MEMBER OF THE COVERED EMPLOYEE.
- 16 (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A COVERED
- 17 EMPLOYEE MAY TAKE THE LEAVE FOR WHICH THE EMPLOYEE IS ELIGIBLE FOR
- 18 BENEFITS UNDER SUBSECTION (A) OF THIS SECTION ON AN INTERMITTENT LEAVE
- 19 SCHEDULE.
- 20 (2) IF LEAVE IS TAKEN ON AN INTERMITTENT LEAVE SCHEDULE, THE
- 21 COVERED EMPLOYEE SHALL:
- 22 (I) MAKE A REASONABLE EFFORT TO SCHEDULE THE
- 23 INTERMITTENT LEAVE IN A MANNER THAT DOES NOT UNDULY DISRUPT THE
- 24 OPERATIONS OF THE EMPLOYER; AND
- 25 (II) PROVIDE THE EMPLOYER WITH REASONABLE AND
- 26 PRACTICABLE PRIOR NOTICE OF THE REASON FOR WHICH THE INTERMITTENT
- 27 LEAVE IS NECESSARY.
- 28 (3) IF LEAVE IS TAKEN ON AN INTERMITTENT LEAVE SCHEDULE, AN
- 29 EMPLOYER MAY NOT:
- 30 (I) UNLESS THE INTERMITTENT LEAVE SCHEDULE IS
- 31 MEDICALLY NECESSARY, BE REQUIRED TO ALLOW AN INTERMITTENT LEAVE
- 32 SCHEDULE FOR MORE THAN 24 CONSECUTIVE WEEKS; OR

- 1 (II) REDUCE THE TOTAL AMOUNT OF LEAVE TO WHICH THE
- 2 COVERED EMPLOYEE IS ENTITLED.
- 3 **8.3–702.**
- 4 (A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A
- 5 COVERED EMPLOYEE MAY NOT RECEIVE MORE THAN 12 WEEKS OF BENEFITS IN AN
- 6 APPLICATION YEAR.
- 7 (2) A COVERED EMPLOYEE MAY RECEIVE AN ADDITIONAL 12 WEEKS
- 8 OF BENEFITS IF THE COVERED EMPLOYEE DURING THE SAME APPLICATION YEAR:
- 9 (I) RECEIVED BENEFITS BECAUSE THE COVERED EMPLOYEE
- 10 WAS ELIGIBLE FOR BENEFITS UNDER § 8.3–701(A)(3) OF THIS SUBTITLE; AND
- 11 (II) BECOMES ELIGIBLE FOR BENEFITS UNDER § 8.3–701(A)(2),
- 12 **(4), OR (5) OF THIS SUBTITLE.**
- 13 (B) (1) A COVERED EMPLOYEE MAY NOT BE PAID BENEFITS FOR THE
- 14 FIRST 5 CONSECUTIVE CALENDAR DAYS AFTER THE COVERED EMPLOYEE BECOMES
- 15 ELIGIBLE FOR BENEFITS UNDER § 8.3-701 OF THIS SUBTITLE UNLESS THE COVERED
- 16 EMPLOYEE:
- 17 (I) HAS USED 10 OR MORE DAYS OF PARTIALLY PAID OR UNPAID
- 18 LEAVE DURING THE APPLICATION YEAR; OR
- 19 (II) HAS ALREADY UNDERGONE THE WAITING PERIOD IN THE
- 20 SAME APPLICATION YEAR.
- 21 (2) AN EMPLOYER MAY NOT REQUIRE A COVERED EMPLOYEE TO USE
- 22 LEAVE PROVIDED BY THE EMPLOYER DURING THE WAITING PERIOD REQUIRED
- 23 UNDER PARAGRAPH (1) OF THIS SUBSECTION.
- 24 (C) A COVERED EMPLOYEE MAY NOT BE PAID BENEFITS FOR LESS THAN 1
- 25 DAY OR 8 CONSECUTIVE HOURS OF LEAVE TAKEN IN 1 WORKWEEK.
- 26 **8.3–703.**
- 27 IF AN EMPLOYER PROVIDES A COVERED EMPLOYEE WITH WRITTEN NOTICE,
- 28 THE EMPLOYER MAY REQUIRE THAT BENEFITS PAID UNDER THIS TITLE TO THE
- 29 COVERED EMPLOYEE BE COORDINATED WITH PAYMENT MADE OR LEAVE ALLOWED

- 1 UNDER THE TERMS OF DISABILITY OR FAMILY CARE LEAVE UNDER A COLLECTIVE
- 2 BARGAINING AGREEMENT OR EMPLOYER POLICY.
- 3 **8.3–704.**
- 4 (A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE WEEKLY
- 5 BENEFIT AMOUNT PAYABLE TO A COVERED EMPLOYEE UNDER THIS TITLE SHALL BE:
- 6 (I) 66% OF THE HIGHEST TOTAL AMOUNT OF WAGES EARNED
- 7 BY THE COVERED EMPLOYEE IN 1 WEEK DURING THE BASE PERIOD; OR
- 8 (II) IF THE EMPLOYEE IS TAKING PARTIALLY PAID LEAVE, THE
- 9 LESSER OF:
- 1. THE AMOUNT REQUIRED TO MAKE UP THE
- 11 DIFFERENCE BETWEEN THE WAGES PAID TO THE EMPLOYEE WHILE THE EMPLOYEE
- 12 IS TAKING PARTIALLY PAID LEAVE AND THE FULL WAGES NORMALLY PAID TO THE
- 13 EMPLOYEE; AND
- 2. 66% OF THE HIGHEST TOTAL AMOUNT OF WAGES
- 15 EARNED BY THE COVERED EMPLOYEE IN 1 WEEK DURING THE BASE PERIOD.
- 16 (2) THE WEEKLY BENEFIT AMOUNT PAYABLE UNDER PARAGRAPH (1)
- 17 OF THIS SUBSECTION:
- 18 (I) SHALL BE AT LEAST \$50; AND
- 19 (II) MAY NOT EXCEED:
- 20 1. FOR THE 12-MONTH PERIOD BEGINNING JULY 1,
- 21 **2018, \$700;** AND
- 22 2. FOR THE 12-MONTH PERIOD BEGINNING JULY 1,
- 23 2019, AND EACH SUBSEQUENT 12-MONTH PERIOD, THE AMOUNT DETERMINED AND
- 24 ANNOUNCED BY THE SECRETARY UNDER PARAGRAPH (3) OF THIS SUBSECTION.
- 25 (3) (I) IN THIS PARAGRAPH, "CONSUMER PRICE INDEX" MEANS
- 26 THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE
- 27 WASHINGTON-BALTIMORE METROPOLITAN AREA OR A SUCCESSOR INDEX
- 28 PUBLISHED BY THE FEDERAL BUREAU OF LABOR STATISTICS.
- 29 (II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS
- 30 PARAGRAPH, FOR THE 12-MONTH PERIOD BEGINNING JULY 1, 2019, AND EACH

- 1 SUBSEQUENT 12-MONTH PERIOD, THE MAXIMUM WEEKLY BENEFIT AMOUNT SHALL
- 2 BE INCREASED BY THE AMOUNT, ROUNDED TO THE NEAREST CENT, THAT EQUALS
- 3 THE PRODUCT OF:
- 1. THE MAXIMUM WEEKLY BENEFIT AMOUNT IN EFFECT
- 5 FOR THE PRECEDING 12-MONTH PERIOD; AND
- 6 2. THE ANNUAL PERCENT GROWTH IN THE CONSUMER
- 7 PRICE INDEX FOR THE IMMEDIATELY PRECEDING 12-MONTH PERIOD, AS
- 8 DETERMINED BY THE SECRETARY UNDER ITEM 1 OF THIS SUBPARAGRAPH.
- 9 (III) BEGINNING MARCH 1, 2019, AND EACH SUBSEQUENT
- 10 SEPTEMBER 1, THE SECRETARY SHALL DETERMINE AND ANNOUNCE:
- 1. THE ANNUAL PERCENT GROWTH, IF ANY, IN THE
- 12 CONSUMER PRICE INDEX BASED ON THE MOST RECENT 12-MONTH PERIOD FOR
- 13 WHICH DATA IS AVAILABLE ON SEPTEMBER 1; AND
- 14 2. THE MAXIMUM WEEKLY BENEFIT AMOUNT EFFECTIVE
- 15 FOR THE 12-MONTH PERIOD BEGINNING THE FOLLOWING JULY 1.
- 16 (IV) IF THERE IS A DECLINE OR NO GROWTH IN THE CONSUMER
- 17 PRICE INDEX, THE MAXIMUM WEEKLY BENEFIT AMOUNT SHALL REMAIN THE SAME
- 18 AS THE AMOUNT THAT WAS IN EFFECT FOR THE PRECEDING 12-MONTH PERIOD.
- 19 (B) AN INCREASE IN THE WEEKLY BENEFIT AMOUNT UNDER SUBSECTION
- 20 (A)(3) OF THIS SECTION APPLIES ONLY TO A CLAIM FOR BENEFITS FILED AFTER THE
- 21 DATE THE INCREASE BECOMES EFFECTIVE.
- 22 (C) THE DIVISION SHALL:
- 23 (1) MAKE THE FIRST PAYMENT OF BENEFITS TO A COVERED
- 24 EMPLOYEE WITHIN 2 WEEKS AFTER THE CLAIM IS FILED; AND
- 25 (2) MAKE SUBSEQUENT PAYMENTS EVERY 2 WEEKS UNTIL THE
- 26 BENEFIT PERIOD ENDS.
- 27 **8.3–705.**
- 28 (A) IF THE INTERNAL REVENUE SERVICE DETERMINES THAT BENEFITS
- 29 PAID UNDER THIS SUBTITLE ARE SUBJECT TO FEDERAL INCOME TAX, AT THE TIME
- 30 AN INDIVIDUAL FILES A NEW CLAIM FOR BENEFITS, THE DIVISION SHALL NOTIFY
- 31 THE INDIVIDUAL THAT:

- THE INTERNAL REVENUE SERVICE HAS DETERMINED THAT THE 1 **(1)** 2 BENEFITS ARE SUBJECT TO FEDERAL INCOME TAX;
- 3 **(2)** THERE ARE REQUIREMENTS REGARDING ESTIMATED TAX 4 **PAYMENTS**;
- 5 THE INDIVIDUAL MAY ELECT TO HAVE FEDERAL INCOME TAX
- 6 DEDUCTED AND WITHHELD FROM THE BENEFITS THAT THE INDIVIDUAL RECEIVES
- UNDER THIS TITLE AT THE AMOUNT SPECIFIED IN THE INTERNAL REVENUE CODE; 7
- 8 **AND**
- 9 **(4)** THE INDIVIDUAL IS PERMITTED TO CHANGE A PREVIOUSLY 10 ELECTED WITHHOLDING STATUS.
- 11 (B) (1) IF AN INDIVIDUAL ELECTS TO HAVE FEDERAL INCOME TAX
- DEDUCTED AND WITHHELD UNDER SUBSECTION (A)(3) OF THIS SECTION, THE 12
- DIVISION SHALL DEDUCT AND WITHHOLD THE AMOUNT SPECIFIED IN THE 13
- INTERNAL REVENUE CODE IN A MANNER REQUIRED BY THE INTERNAL REVENUE 14
- SERVICE. 15
- IF THE DIVISION DEDUCTS AND WITHHOLDS FEDERAL INCOME 16
- TAX UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE AMOUNT DEDUCTED AND 17
- WITHHELD SHALL REMAIN IN THE FUND UNTIL IT IS TRANSFERRED TO THE 18
- 19 FEDERAL TAXING AUTHORITY AS A PAYMENT OF INCOME TAX.
- 20 8.3-706.
- 21IF A COVERED EMPLOYEE RECEIVES BENEFITS UNDER THIS SUBTITLE OR
- 22TAKES LEAVE FROM WORK THAT FULFILLS THE WAITING PERIOD REQUIRED UNDER
- § 8.3-702(B) OF THIS SUBTITLE, THE EMPLOYER OF THE COVERED EMPLOYEE 23
- SHALL, ON THE EXPIRATION OF THE LEAVE, RESTORE THE EMPLOYEE TO AN 24
- EQUIVALENT POSITION OF EMPLOYMENT IN THE SAME MANNER AS AN EMPLOYEE 25
- ENTITLED TO LEAVE UNDER THE FEDERAL FAMILY MEDICAL LEAVE ACT IS 26
- 27REQUIRED TO BE RESTORED.
- 8.3-707. 28
- 29 IF A COVERED EMPLOYEE IS RECEIVING BENEFITS UNDER THIS TITLE OR IS
- 30 TAKING LEAVE THAT FULFILLS THE WAITING PERIOD REQUIRED UNDER §
- 31 8.3-702(B) OF THIS SUBTITLE, THE EMPLOYER OF THE COVERED EMPLOYEE SHALL
- 32CONTINUE ANY EMPLOYMENT BENEFITS IN THE SAME MANNER AS REQUIRED UNDER
- THE FEDERAL FAMILY MEDICAL LEAVE ACT FOR THE TIME PERIOD THAT THE 33

- 1 COVERED EMPLOYEE IS ABSENT FROM WORK AND RECEIVING BENEFITS UNDER
- 2 THIS TITLE.
- 3 SUBTITLE 8. PROHIBITED ACTS; PENALTIES.
- 4 8.3–801.
- 5 IF AN INDIVIDUAL WILLFULLY MAKES A FALSE STATEMENT OR
- 6 MISREPRESENTATION REGARDING A MATERIAL FACT OR WILLFULLY FAILS TO
- 7 REPORT A MATERIAL FACT TO OBTAIN BENEFITS UNDER THIS TITLE, THE
- 8 INDIVIDUAL IS DISQUALIFIED FROM RECEIVING BENEFITS FOR 1 YEAR.
- 9 8.3-802.
- 10 (A) THE DIVISION MAY SEEK REPAYMENT OF BENEFITS FROM AN
- 11 INDIVIDUAL WHO RECEIVED BENEFITS UNDER THIS TITLE IF:
- 12 (1) THE BENEFITS WERE PAID ERRONEOUSLY OR AS A RESULT OF
- 13 WILLFUL MISREPRESENTATION; OR
- 14 (2) IF A CLAIM FOR BENEFITS UNDER THIS TITLE IS REJECTED AFTER
- 15 THE BENEFITS WERE PAID.
- 16 (B) THE SECRETARY MAY WAIVE THE REPAYMENT OF BENEFITS UNDER
- 17 SUBSECTION (A) OF THIS SECTION IF THE REPAYMENT WOULD BE AGAINST EQUITY
- 18 AND GOOD CONSCIENCE.
- 19 **8.3–803.**
- A PERSON MAY NOT DISCHARGE, DEMOTE, OR OTHERWISE DISCRIMINATE OR
- 21 TAKE ADVERSE ACTION AGAINST A COVERED EMPLOYEE BECAUSE THE COVERED
- 22 EMPLOYEE:
- 23 (1) HAS FILED, APPLIED FOR, OR RECEIVED BENEFITS UNDER THIS
- 24 TITLE;
- 25 (2) HAS COMMUNICATED TO THE PERSON AN INTENT TO FILE A
- 26 CLAIM, A COMPLAINT, OR AN APPEAL UNDER THIS TITLE; OR
- 27 (3) HAS TESTIFIED OR INTENDS TO TESTIFY OR OTHERWISE HAS
- 28 ASSISTED IN A PROCEEDING UNDER THIS TITLE.

8.3-901. 1

| 2 | THIS TITLE MAY BE CITED AS THE MARYLAND FAMILY AND MEDICAL LEAVE |
|---|--|
| 3 | INSURANCE PROGRAM |

Article - State Finance and Procurement 4

- 6-226.5
- 6 Except as otherwise specifically provided by law or by regulation of the 7 Treasurer, the Treasurer shall credit to the General Fund any interest on or other income 8 from State money that the Treasurer invests.
- 9 Notwithstanding any other provision of law, and unless (2)10 inconsistent with a federal law, grant agreement, or other federal requirement or with the 11 terms of a gift or settlement agreement, net interest on all State money allocated by the 12 State Treasurer under this section to special funds or accounts, and otherwise entitled to 13 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
- 14 Fund of the State.
- 15 The provisions of subparagraph (i) of this paragraph do not apply (ii) 16 to the following funds:
- 17 84. the Economic Development Marketing Fund; [and]
- 18 85. the Military Personnel and Veteran-Owned Small 19
- Business No-Interest Loan Fund; AND
- THE FAMILY AND MEDICAL LEAVE INSURANCE 20 86.
- FUND. 21
- 22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to 23 apply only prospectively and may not be applied or interpreted to have any effect on or 24application to any collective bargaining agreement entered into before the effective date of 25 this Act.
- SECTION 3. AND BE IT FURTHER ENACTED, That, on or before October 1, 2016, 26 27 the Secretary of Labor, Licensing, and Regulation shall adopt regulations as required under 28 § 8.3–403 of the Labor and Employment Article, as enacted by Section 1 of this Act.
- 29 SECTION 4. AND BE IT FURTHER ENACTED, That it is the intent of the General 30 Assembly that, to the extent permissible under federal law, existing employees and 31 resources of the Division of Unemployment Insurance be used to carry out the provisions of this Act. 32

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect June $2\,$ $\,$ 1, 2016.