



MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:

UNFAVORABLE

Senate Bill 275

**Labor and Employment-Family and Medical Leave Insurance Program-Establishment
House Economic Matters Committee**

Thursday, March 24, 2022

Dear Chairman Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce (MDCC) is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families. Through our work, we seek to maintain a balance in the relationship between employers and employees within the State through the establishment of policies that promote fairness and ease restrictive burdens.

Senate Bill 275 would establish a Family & Medical Leave Insurance (FAMLI) Program to be administered under the supervision of a new division within the Maryland Department of Labor. The program generally provides up to 12 weeks of partially paid leave for certain reasons with the exception that an additional 12 weeks can be provided in certain circumstances.

The Chamber remains **very concerned** about the amended SB 275 being considered by the House Economic Matters Committee and the broader legislative body. The implementation of this legislation will result in additional costs and administrative burden to employers, especially small businesses at a time when they can least afford it.

COVID-19 has had a tremendous and detrimental impact on Maryland's economy which businesses and employees continue to navigate. Those impacts and uncertainties are being compounded by other economic factors such as record high inflation and the rising costs of basic goods such as food, fuel, and housing. Maryland job creators continue to struggle to stay afloat and a period of anemic economic recovery is simply not the time to implement a new employer mandate, that still has not been adequately evaluated, that will negatively impact businesses in both cost and leave administration.

To be clear, the Chamber and its members recognize that paid family and medical leave programs are being implemented in other states across the country and these benefits have been extended to federal government and state government employees. While we agree with the intent of the legislation in seeking to help employees balance the challenges between work and life, we do not believe that this legislation appropriately balances those goals with the economic challenges and realities being faced by Maryland employers and workers.

The Maryland House of Delegates has already made the wise choice of passing HB 496, which will produce the information necessary to inform the policy decision that will ultimately be made by the General Assembly of Maryland. Let's not take a step back and pass legislation establishing a massive new arm of government while leaving so many questions and uncertainties to be figured out later.

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For these reasons, the Maryland Chamber of Commerce respectfully requests an **UNFAVORABLE REPORT** on **Senate Bill 275** and stands in strong support of the legislation previously passed by the Maryland House of Delegates, HB 496.

