



LEGISLATIVE POSITION:

Letter of Information

Senate Bill 828

Family and Medical Leave Insurance Program – Modifications

House Economic Matters Committee

Thursday, March 30, 2023

Dear Chairman Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,400 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.

Senate Bill 828 makes modifications to the Family and Medical Leave Insurance Program which was passed during the 2022 legislative session. While the bill makes several technical changes to the legislation passed last year more significant changes are also introduced like expanding definitions, altering certain notification and application requirements, changing the total contribution rate and split, and modifying the leave concurrence language.

The Maryland Chamber concurs with many of the technical changes made throughout SB 828 to better align Maryland's program with the federal FMLA program, however we continue to have serious concerns about the administrative burden Maryland employers will face as a result of SB 828 and other programmatic components at large.

The Chamber supports changes made by the Senate Finance Committee, which placed a 1.2% cap on the total contribution rate and pushed back contributions and implementation of the program. However, we still have concerns with the application timeline for unforeseen leave.

The application/notification provisions for unforeseen leave remain unreasonably long.

- 60 days to file for benefits if the leave is unforeseen.
- 10 days for MDDOL to turnaround a benefit decision.
- 30 to file an appeal in a case where the initial application is denied.
- 10 days for MDDOL to turnaround a decision for an appeal.

In a worst-case scenario, an employee can be away from their job for 110 days before a final benefit determination is made. This period is longer than the initial 12 weeks of leave an employee would be able to receive under the program. Furthermore, SB 828 does not address if the leave is protected during the timeframe before an applicant files for benefits.

- **An application for benefits for unforeseen leave should be made as soon as practical. This would mirror the requirement in the federal FMLA program.**

- At a minimum **these application periods should be cut in half to 30 days to file for benefits and 15 days to file an appeal.**
- 30 days to apply for unforeseen leave would match the requirement for 30 days' notice in the case of foreseen leave which already exists in the statute.

Other states have successfully passed paid leave insurance programs with the support of the business community, however, those programs were the product of years of negotiations. The Maryland Chamber stands ready to work alongside the members of the General Assembly to craft a fair and equitable program.

The Maryland Chamber of Commerce appreciates your consideration of our comments on Senate Bill 828.

