



Senate Bill 828

Family and Medical Leave Insurance Program - Modifications

MACo Position: **SUPPORT WITH
AMENDMENTS**

To: Economic Matters Committee

Date: March 30, 2023

From: Brianna January

The Maryland Association of Counties (MACo) **SUPPORTS SB 828 WITH AMENDMENTS**. This bill modifies and alters certain aspects of the Family and Medical Leave Insurance (FAMLI) Program passed in 2022. Amendments to the bill mostly resolve counties' concerns regarding the timeline and opt-out process for private plans of equal or greater benefit to the State's, however, counties request an additional simple, clarifying amendment – to provide more clarity for public employers through the roll-out period ahead.

While counties value the goals of the FAMLI Program and the intent of SB 828 to clarify key pieces of the law, local governments have deep trepidations about the feasibility of the law's implementation timeline and requirements, which are resolved in SB 828 as amended. In December 2022, a coalition of local governments and their partners consisting of counties, municipalities, local boards of education, and local school superintendents, sent a letter to the Maryland Department of Labor outlining these concerns. In the period since that letter was sent, MACo has engaged with a variety of stakeholders and policymakers to address these issues and we look forward to continued collaboration to do so.

Counties strongly support the Maryland Department of Labor's amendments, currently adopted in SB 828, pushing back regulation publication to January 1, 2024 (from July 1, 2023 in current law) and deferring the start of contributions from October 1, 2023, to October 1, 2024. In doing so, counties are better able to prepare to implement the benefit program and/or apply to an equal benefit private plan exemption. Additionally, this adjusted timeline better suits the rigid, unique budgetary processes and timelines to which local governments must adhere.

Counties request a simple addition to these amendments to clarify that comprehensive guidance on the private plan opt-out application process and procedures be included in the January 1, 2024, regulatory deadline. Adopting this amendment will help ensure a smooth, transparent process for the State and employers as they establish the ambitious FAMLI Program. For these reasons, MACo urges a **FAVORABLE WITH AMENDMENTS** report on SB 828.