MSCAN - SB 828 - Time to Care Implementation - FAV
Uploaded by: Abby Snyder
Position: FAV

Maryland Senior Citizens Action Network

MSCAN

MSCAN Co-Chairs:
Carol Lienhard
Sarah Miicke
410-542-4850

SB 828
Labor and Employment – Family and Medical Leave Insurance Program – Modifications

Senate Finance Committee
March 2, 2023

Support

The Maryland Senior Citizens Action Network (MSCAN) is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that supports policies that meet the housing, health and quality of care needs of Maryland's low and moderate-income seniors.

MSCAN supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) program by specifying various aspects of programmatic implementation. **MSCAN also supports the sponsor amendments that make the cost-sharing split 50-50 between employers and employees.**

Passing the Time to Care Act last legislative session was a huge victory for all Marylanders, and notably for caregivers and older workers. As our population ages and life expectancy increases, more workers will take on caregiving roles for older family members. At the same time, labor force participation rates for both men and women over 65 have climbed in recent years, especially after the Great Recession.[1] In order for older workers and caregivers to stay healthy and productive, they need to be able to take paid time away from work to manage their or their loved one's health. SB 828 – with sponsor amendments – firmly puts Maryland's FAMLI program on the path towards successful implementation, ultimately increasing the health of wellbeing of older adults and their caretakers.

Setting the contribution split between employers and employees at 50-50 equitably distributes the costs of a program that all Marylanders benefit from. As our workforce and overall population ages, FAMLI programs allow older adults - and their caregivers - access to paid leave to manage serious health conditions, which strengthens families and improves the public health of all Marylanders. Furthermore, studies show there are declines in nursing home utilization rates in states that have FAMLI programs.[2] When older adults are able to age in place, it creates stronger communities for all Marylanders. Just like all recent states that have passed FAMLI programs, codifying an equal cost sharing split in Maryland's FAMLI program keeps the benefit affordable and equitable for all.

MSCAN strongly believes that passing SB 828 with sponsor amendments is critical in the effort to build a strong FAMLI program in Maryland. **For these reasons, MSCAN urges a favorable report on SB 828.**

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[1] US Census. 2018. American Community Survey.
[2] Does Paid Family Leave Reduce Nursing Home Use? The California Experience
https://onlinelibrary.wiley.com/doi/full/10.1002/pam.22038

SB828 - Family and Medical Leave Insurance Program
Uploaded by: Abigail Snyder
Position: FAV

WRITTEN TESTIMONY

SB828 - Family and Medical Leave Insurance Program - Modifications

Senate Finance Committee – March 2, 2023

SUPPORT

Background: SB828 would modify the Family and Medical Leave Insurance Program by clarifying and altering certain provisions relating to the administration of the Program; establishing the employer and employee shares of the total rate of contribution; requiring the State to pay for certain contributions for certain employers and certain covered employees; and more.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees.

Written Comments: Preserving life and health is a central tenet in Judaism and paramount above all else. This bill piggybacks on the passage of the historic Time to Care Act (2022's SB275), to ensure that Marylanders have access to this crucial program.

Paid family and medical leave benefits everyone. It is an issue that 88% of Marylanders support. Women and people of color are disproportionately impacted when they do not have access to leave, and in too many cases, these groups are forced to leave the labor force to care for their families or personal health, increasing turnover among workers. Studies show that individuals facing a serious medical crisis - like cancer - are better able to make their appointments, complete their treatment, increase their treatment options, and afford their care if they have access to a paid family and medical leave program. When Marylanders are able to take time to care for serious illness, our entire state benefits through increased survivorship and decreased overall health care expenditures.

With this in mind, the Baltimore Jewish Council urges a favorable report of SB828 with sponsor amendments to address the cost split for employers and employees.

The Baltimore Jewish Council, a coalition of central Maryland Jewish organizations and congregations, advocates at all levels of government, on a variety of social welfare, economic and religious concerns, to protect and promote the interests of The Associated Jewish Community Federation of Baltimore, its agencies, and the Greater Baltimore Jewish community.

BALTIMORE JEWISH COUNCIL
5750 Park Heights Avenue, Suite 329 • Baltimore, Maryland 21215
410-542-4850 • fax 410-542-4834 • baltjc.org
Member of the Jewish Council for Public Affairs

SB0828_AmyRuddle_FAV.pdf
Uploaded by: Amy Ruddle
Position: FAV

Date of Hearing: 3/2/2023

Amy Ruddle
Silver Spring, Maryland 20901

TESTIMONY ON SB828- POSITION: FAVORABLE
Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Amy Ruddle

My name is Amy Ruddle and I am a resident of District 20. I am submitting this testimony in favor of SB828, Family and Medical Leave Insurance Program – Modifications, with the sponsor amendments. I am a small business owner, attend Temple Emanuel synagogue, and am a volunteer and advocate with NAMI Montgomery County. A major reason I am submitting testimony on this bill is that if it were to pass, it would change my life and the lives of many, for the positive.

As someone with chronic illnesses, I have struggled to find a work-life balance that allows me to have a career and take care of myself. In 2015, I found myself with a salaried job and succeeding in that work -- until my conditions started flaring up. I begged my employer to be allowed to do a weekly check-in with my doctor so that they could determine a course of treatment. I was told I could go to the doctor on my lunch break, but that if I wanted to see the doctor at any other time, I would have to use a full sick day and take the day off. Because of this policy, I exhausted my annual sick leave in 2 months.

My doctors counseled me that I needed intensive treatment to manage my conditions, and that the best chance at recovery was a month-long hospitalization. My employer was not understanding and told me if I needed hospitalization that not only would I not be paid for that time away, but I would not be guaranteed a job at the firm when I returned. I and my doctors appealed to the HR team, but there were no accommodations made. I needed to support myself, so I kept working against my doctors' advisement. In early 2016 my body collapsed under the demands, and I quit my job entirely out of fear of my condition worsening. If this bill were in effect, I would have been able to take the leave I needed to take to get myself healthy; furthermore, I would have recovered faster and been able to get back to work sooner. Instead of taking a month of paid leave as recommended by my doctors, I instead had to spend two years trying to undo the damage caused by me continuing to work.

My story is not unique, and in fact, is one of so many examples of Marylanders who work hard for our communities yet are not able to have paid leave to take care of their health or care for their families. FAMLI programs allow individuals the paid time they need to improve their health and then return to the workforce as productive employees. Access to comprehensive behavioral health treatment improves the public health and safety of all Marylanders. Perhaps most importantly, these programs do more than help individuals: they help our society. When Marylanders can take time to care for serious illness, our entire state benefits through increased survivorship and decreases in overall health care expenditures. It is for this reason that **I respectfully urge this committee to issue a favorable report on SB828 with the sponsor amendments.**

SB828-Favorable.pdf
Uploaded by: Anita Lampel
Position: FAV

BILL#SB0828 Anita Lampel FAV

Date of Hearing: March 2, 2023

Anita Lampel
Bethesda, MD 20817

TESTIMONY ON SB#828- POSITION: FAVORABLE

Family and Medical Leave Insurance Program-Modification

TO: Chair Griffith, ViceChair Klausmeier, and Members of the Finance Committee

FROM: Anita Lampel

OPENING: **My name is Anita Lampel. I am a resident of District 16. I am submitting this testimony in support of SB#0828, Family and Medical Leave Insurance Program-Modification.**

I am a retired psychologist who oversaw a large child and adolescent mental health program, and provided consultation to the Children's Unit of a major county hospital. I am a member of Adat Shalom Reconstructionist Congregation and the Women's Democratic Club of Montgomery County. My professional experience, my background in California, and my Jewish ethics all instruct me to protect those who are ill and those who care for them. This bill will do that.

The Maryland Legislature acted appropriately and with honor to pass Family and Medical Leave Insurance. The bill is designed to help everyone facing illness and other factors that cause them to miss work to care for themselves or loved ones. Lower income persons, often single parents, and older workers, often caring for their own parents, are already burdened by inflation, higher rent, and other worries. This bill will assure that the small amount of money taken out for this insurance from the employer and the employee will be fair to both and not unduly harm those least able to afford it.

This is why I am in favor of SB#0828. . **I respectfully urge this committee to return a favorable report on SB#0828.**

SB828 Testimony.docx.pdf
Uploaded by: Antonio Hayes
Position: FAV

Antonio Hayes
Legislative District 40
Baltimore City

Finance Committee

Annapolis Office
James Senate Office Building
11 Bladen Street, Room 222
Annapolis, Maryland 21401
410-841-3656 · 301-858-3656
800-492-7122 *Ext.* 3656
Antonio.Hayes@senate.state.md.us

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Testimony of Senator Hayes in Support of Senate Bill 828:
Family and Medical Leave Insurance Program – Modifications

March 2, 2023

Chair Griffith and Members of the Finance Committee,

It is with great pleasure that I introduce SB 828, an implementation bill to construct the foundation necessary to fulfill the promise of the Time to Care Act of 2022 passed last legislative session. **I am also submitting accompanying sponsor amendments, including one that will put the cost sharing contribution split at 50/50 for employers and employees, which places the bill in identical posture as its House Bill cross-file.**

Passing the Time to Care Act last year was a historic victory, and it was just the first step in realizing a Family and Medical Leave Insurance (FAMLI) Program in Maryland. In order to create a fully-functioning, accessible, and equitable FAMLI program, there are a few questions the state needs to answer so the critical implementation work can begin in earnest. SB 828 simply clarifies and codifies the policy decisions that were made last session, as well as makes a few minor improvements based on feedback from the stakeholders. This bill has been drafted in consultation with advocates, national experts, and representatives from the insurance industry.

SB 828 recognizes that paid leave is a benefit that touches all of us - it's good for families, employers and society at large - and as we share in the benefits, we share in the costs. The sponsor amendments I am introducing in tandem with the legislation keeps the program affordable and equitable for employers and employees with 50/50 cost-sharing split. This equal split is in line with other states - including our neighboring state of Delaware - that have recently passed FAMLI laws, and makes the bill identical to the House Bill.

Crucially, SB 828 also grants the Department of Labor additional time to implement the Time to Care Act. From technology acquisition to staffing to outreach planning to regulatory drafting, there is significant work that needs to be accomplished in order to build a FAMLI program that can be a cornerstone of the Administration's work to end childhood poverty, support veterans, and create a Maryland where all families can thrive. I continue to have discussions with the Department and stakeholders about the timeline.

SB 828 - with my sponsor amendments – also adjusts the existing law by:

- Adding definitions to clarify what wages would be included for purposes of calculating the average weekly wage, that domestic partners are included under the definition of "family member," and how an application year would be counted;
- Adding language to better conform with FMLA the circumstances for which a covered employee can take leave when a child enters their home by specifying it must be the covered individual's child, and by allowing leave for the circumstances leading up to a kinship/foster/adoptive placement;
- Adding additional requirements for the certification that must be submitted to the Secretary for the purpose of leave including duration, frequency of intermittent leave, and standards for verifying next of kin;
- Requiring the Department to include disaggregated data in their annual report and specifying that only the public components of the program should be included in the report;
- Changing the Secretary's report on the solvency of the fund and the appropriate total rate of contribution to occur annually rather than biannually;
- Requiring the Secretary to set the contribution rate on an annual basis and adjust the timeline;
- Allowing the employer to pay the full amount or a portion of the employee contribution if they so choose;
- Mandating the state to pay the employer contribution for the Medicaid community and the employee contribution for those making under $15/hour;
- Clarifying that an employee can apply for foreseeable leave in advance and sets deadlines for the application;
- Clarifying that when an event qualifies for both federal Family and Medical Leave and Paid Family Leave that the leaves run concurrently;
- Removing language requiring an employee to exhaust all employer-provided leave before availing themselves of the program, but allows employers and employees to agree that employer-provided leave is used in conjunction with Paid Family Leave to replace 100% of an employee's average weekly wage;
- Clarifying language about what happens if the maximum benefit is increased while an individual is receiving benefits;
- Setting standards for how a private plan will set a benefit amount;
- Specifying what a completed application is and the Department's notification requirements for both employees and employers; and

- Prohibiting an employer offering a private plan from charging an employee more than the public contribution.

I believe that all Marylanders, whatever their circumstances, will at some point in their lives need extended time away from work to provide care for a family member or for themselves, and SB 828 puts the necessary parameters in place to create a responsive FAMLI program so all Marylanders can take time to care.

I strongly urge a favorable report on SB 828.

Respectfully,

Senator Antonio L. Hayes
40th Legislative District – MD

SB828_CarolStern_FAV.pdf
Uploaded by: CAROL STERN
Position: FAV

TESTIMONY ON SB828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS
Finance Committee
March 2, 2023

TO: Chair Griffith, Vice Chair Klausmeier , and members of the Committee

FROM: Carol Stern

My name is Carol Stern and I am testifying in favor of SB828, the Family & Medical Leave Insurance Program - Modifications, as a resident of Montgomery County's District 16 and a member of Adat Shalom Reconstructionist Congregation in Bethesda.

The Jewish text that shapes my religious and moral conviction that every employee in the state of Maryland should have access to paid family and medical leave explains that **pikuach nefesh, the saving of a life, supersedes all other commandments**. This assures us that we have a moral obligation to pursue life at any cost. Offering paid leave to employees is an act of pikuach nefesh since it prioritizes people's health and well-being. This is a directive for us to secure the wellness of the labor force, which passing the Time to Care Act can help to do.

I strongly support SB828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing HB 988 will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB828 with sponsor amendments sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and establishing a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

I respectfully urge a favorable report on SB828 with sponsor amendments.

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[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US.
https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

SB0828 Family and Medical Leave FAV.pdf
Uploaded by: Cecilia Plante
Position: FAV

MARYLAND LEGISLATIVE COALITION

TESTIMONY For SB0828
Family and Medical Leave Insurance Program - Modifications

Bill Sponsor: Senator Hayes
Committee: Finance
Organization Submitting: Maryland Legislative Coalition
Person Submitting: Cecilia Plante, co-chair
Position: FAVORABLE

I am submitting this testimony in favor of SB0828 on behalf of the Maryland Legislative Coalition. The Maryland Legislative Coalition is an association of activists - individuals and grassroots groups in every district in the state. We are unpaid citizen lobbyists and our Coalition supports well over 30,000 members.

The Maryland Legislative Coalition strongly supports SB0828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. We also strongly support the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB0828 in the same posture as the House Bill.

Most of us have experienced the stress of having a job, and also having children, or aging parents, or medical emergencies that cause us to take time off from work. Having paid family medical leave is a necessity to navigate the pace of life that we have today.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. We now need to take the next major step in fulfilling the promise of the Time to Care Act of 2022. Passing SB0828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, it sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

It does not take a study to show that individuals facing a serious medical crisis - like cancer - are better able to make their appointments, complete their treatment, increase their treatment options, and afford their care if they have access to a FAMLI program. Nor do we have to stretch to know that having paid family medical leave helps families to care for aging loved ones which lowers nursing home utilization rates and provides a better environment for those needing care. Finally, military families need access to FAMLI programs to make child care arrangements, take care of their mental health, attend military ceremonies, and re-enter back into family life.

For all of us, having a strong family medical leave program will make life in Maryland happier, healthier, and more productive. We strongly support this bill and recommend a **FAVORABLE** report in committee.

SB0828_CharlesKoplik_FAV.pdf
Uploaded by: Charles Koplik
Position: FAV

Date of Hearing: March 2, 2023

Charles M. Koplik
Odenton, MD 21113

TESTIMONY ON SB0828 - POSITION: FAVORABLE
Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Charles M. Koplik

OPENING: **My name is Charles M. Koplik. I am a resident of District 21. I am submitting this testimony in support *with the sponsor amendments* of SB0828, Family and Medical Leave Insurance Program - Modifications.**

I am a member of the Jewish Community Relations Council (JCRC) and chair its Anti-Racism Team. In addition, I serve as Executive Vice President of the Jewish Federation of Howard County, and I am a member of Temple Isaiah of Fulton.

In 2008, when my mother at age 91 learned she had uterine cancer, I was needed for a long series of emergencies. There were first the visits to Los Angeles to be part of the meetings with the doctors. Then came the operations and radiation treatment. And finally trips to Los Angeles to support my mother through home hospice care in the final months of her illness and ultimately funeral arrangements and burial in Cleveland. My dad had passed away in 1979. How many families faced with similar emergencies can handle life shattering experiences with demanding employers and the crisis of loss of critical income. Why can we not pool all our resources to create an insurance program that protects workers and young families?

Last session, you passed the Time to Care Act, establishing the Family and Medical Leave Insurance (FAMLI) Program, which will allow 2.5 million Maryland workers to take paid time off when needed. However, without strengthening legislation, the program could be implemented inequitably, risking unfair contribution rates and potentially harming employees earning less than $15 per hour. This includes removing the requirement for workers to exhaust all their employer-provided leave before using the FAMLI Program, which will benefit not only employees, but also their employers; codifying a 50/50 split in contribution from employers and employees; covering the costs for Medicaid providers and employees earning less than $15 per hour; strengthening reporting requirements; and preventing any efforts to weaken the program.

Bills such as this have been effective in many other states and provide an enormously important benefit at a minimal cost to the state, and a very small cost that is shared by employers and workers. By creating a cost-effective insurance program across all businesses in Maryland, everyone can benefit.

I respectfully urge this committee to issue a favorable report on SB0828 *with the sponsor amendments*.

SB0828_JCRC_FAV.pdf
Uploaded by: Chuck Koplik
Position: FAV

JCRC JEWISH COMMUNITY RELATIONS COUNCIL
JEWISH FEDERATION OF HOWARD COUNTY

Date of Hearing: March 2, 2023

Betsy Singer, Columbia, MD 21044, 443-812-2525
Laura Salganik, Columbia, MD 21044, 301-221-5143

TESTIMONY ON SB0828 - POSITION: FAVORABLE

Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Jewish Community Relations Council of the Jewish Federation of Howard County, Betsy Singer and Laura Salganik, Co-chairs

The JCRC is submitting this testimony in support *with the sponsor amendments* of SB0828, Family and Medical Leave Insurance Program - Modifications.

The JCRC represents the Jewish community of Howard County which numbers approximately 25,000 people. As Jews, we know that preserving life and health is paramount above all else. Our sacred texts implore employers to do right by their employees. The Jewish sage Hillel taught that we can't separate ourselves from our community; we all have a responsibility for each other's well being. This bill will allow working people to stay healthy. Paid family and medical leave benefits everyone and is an issue that 88% of Marylanders support.

Last session, you passed the Time to Care Act, establishing the Family and Medical Leave Insurance (FAMLI) Program, which will allow 2.5 million Maryland workers to take paid time off when needed. However, without strengthening legislation, the program could be implemented inequitably, risking unfair contribution rates and potentially harming employees earning less than $15 per hour. Strengthening legislation includes removing the requirement for workers to exhaust all their employer-provided leave before using the FAMLI Program, which will benefit not only employees, but also their employers; codifying a 50/50 split in contribution from employers and employees; covering the costs for Medicaid providers and employees earning less than $15 per hour; strengthening reporting requirements; and preventing any efforts to weaken the program.

Bills such as this have been effective in many other states and provide an enormously important benefit at a minimal cost to the state, and a very small cost that is shared by employers and workers. By creating a cost-effective insurance program across all businesses in Maryland, everyone can benefit.

We respectfully urge this committee to issue a favorable report on SB0828 *with the sponsor amendments.*

SB 828 - FAV-Golombek.pdf
Uploaded by: Daniel Golombek
Position: FAV

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by: Daniel Golombek

My name is Daniel Golombek I am a resident of District 11B. I am submitting this testimony in support of SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split, and also strongly support the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Thank you for your consideration and I strongly urge a favorable report on SB 828 with sponsor amendments.

Daniel Golombek
51 Southwark Bridge Way
Lutherville, MD 21093
dannygolombek@gmail.com

[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

TESTIMONY ON HB 988
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

House Economic Matters Committee
March 7, 2023

SUPPORT

Submitted by:

(Insert Org/Name) strongly supports HB 988, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing HB 988 will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

(Feel free to insert any personal stories or organizational mission statements here that relate to PFML implementation)

In particular, HB 988 sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[2] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and establishing a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

(Feel free to insert any talking points from this fact sheet that relate to your testimony)

(Insert Org/Name) appreciates your consideration and strongly urges a favorable report on HB 988.

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[2] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

Maryland Military Coalition Written Testimony SB 8

Uploaded by: DAVID Dragics

Position: FAV

MARYLAND MILITARY COALITION

Serving Veterans through Legislative Advocacy

March 2, 2023

The Honorable Melony Griffith
Chair, Finance Committee
3 East
Miller Senate Office Building
Annapolis, MD 21401

Subject: **Request for FAVORABLE Report** – SB 828 – Family and Medical Leave Insurance Program – Modifications

Dear Chair Griffith and distinguished members of the Finance Committee:

On behalf of the members of the Maryland Military Coalition (MMC) and as its Legislative Director, I write to recommend a **FAVORABLE report** by the Committee on ***SB 828, Family and Medical Leave Insurance Program – Modifications***, submitted by Senator Antonio Hayes (District 40). This bill modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. The MMC **strongly supports the sponsor amendments**, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House bill.

Passing the Time to Care Act of 2022 in the 2022 legislative session was a historic win for all Marylanders – in particular, the qualifying spouses (and others) of those serving on active military service. During a period of active service, employed spouses of the service person and other beneficiaries often face enormous personal, familial, emotional, and other stresses that can temporarily disrupt their active participation in the workforce. The passing of this act was just the first step in realizing Paid Family and Medical Leave in Maryland.

The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB 828 – with sponsor amendments – sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A

1101 Mercantile Lane, Suite 260 • Largo, Maryland 20774
(301) 583-8687 • (800) 808-4517

50/50 cost-sharing split is in line with most other states – including our neighbor state of Delaware – that have recently passed FAMLI programs.[1] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Before and after deployment, military families need access to FAMLI programs to make childcare arrangements, take care of their mental health, attend military ceremonies, and re-enter back into family life.[2] Supporting our military families through deployments, moves, and family separation increases the health and wellness of all our communities, and the state as a whole.

The Maryland Military Coalition **strongly supports** SB 828 and asks for a **FAVORABLE report** with sponsor amendments from the Finance Committee.

The Maryland Military Coalition is a registered non-profit, non-partisan advocacy organization comprised of prominent Maryland-based veteran and military groups, representing over 150,000 service-connected individuals, including those currently serving, veterans, retirees and their families, caregivers, and survivors.

We want to thank Senator Hayes for his commitment to this program and the collective good of Paid Family and Medical Leave.

Respectfully,

David L Dragics

David L. Dragics
COL USA (Ret)
Legislative Director

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[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

[2] A Better Balance. 2021. Military Families and the Need for Paid Leave. https://www.abetterbalance.org/resources/military-families-the-need-for-paid-leave/

Member Organizations, Maryland Military Coalition

James P. Monahan
Air Force Sergeants Association

Elwood Raphael Gray
American Minority Veterans Research Project

[illegible]
Commissioned Officers Association of the US Public Health Service

[illegible]
Distinguished Flying Cross Association

Erwin A. Burtnick
Jewish War Veterans of the USA

Robert F. Norton
Military Officers Association of America

[illegible]
Montford Point Marines of America

[illegible]
Naval Enlisted Reserve Association

[illegible]
Reserve Organization of America

M Blackwell
Veterans of Foreign Wars

[illegible]
American Military Society

[illegible]
Association of the United States Navy

Wilbur B. Forbes
Disabled American Veterans

[illegible]
Fleet Reserve Association

[illegible]
Maryland Air National Guard Retirees' Association

[illegible]
Military Order of the Purple Heart

[illegible]
National Association for Black Veterans

Christian Andreasen
NOAA Association of Commissioned Officers

Catherine L. McGraw
Society of Military Widows

SB0828_DavidFriedman_FAV.pdf
Uploaded by: David Friedman
Position: FAV

March 2, 2023
David M. Friedman
Silver Spring, MD 20905-5982

TESTIMONY ON SB828 - FAVORABLE

FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: David M. Friedman

My name is David Friedman and I am a resident of District 14, in Silver Spring. I am submitting this testimony in support of SB828, Family and Medical Leave Insurance Program - Modifications. I also strongly support the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB828 in the same posture as the House Bill and in line with most other states - including our neighbor Delaware - that have recently passed FAMLI programs.[1]

I am an active member of Oseh Shalom, a Reconstructionist Jewish congregation, located in Laurel, MD. The commandment to honor your parents helps lay the groundwork in Judaism for the principle that family comes first and my own experience has demonstrated that Jewish life is organized as much around family and the home as around the synagogue.

During my career as a Federal employee, I was fortunate to have adequate paid leave available to me when family members faced medical challenges. When my mother was diagnosed with terminal cancer 18 years ago, I was able to spend cherished time with her in Florida every month during the 9 months leading up to her death. I cannot imagine what I would have lost if I had not been able to do that without paid leave and supportive managers and strongly believe that passing the Time to Care Act of 2022 was a historic victory for all Marylanders. Yet, passage of the Act was just the first step in creating a successful FAMLI program in Maryland - the General Assembly still has a key role to play in the collective effort to implement an accessible, equitable, and robust program.

I believe that Maryland passed one of the strongest and most comprehensive FAMLI programs in the country and that SB828 with the sponsor amendment will set Maryland on the path to successful implementation including creating a 50/50 sharing split that will ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

I respectfully urge this committee to return a favorable report on SB828 with the sponsor amendments.

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[1] A Better Balance, 2023. Comparative Chart of Paid Family and Leave Laws in the US.
https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

SB0828_Jeffrey Rubin_FAV.pdf
Uploaded by: Jeffrey Rubin
Position: FAV

March 2, 2023

Dr. Jeffrey S. Rubin
Potomac, MD 20854

<u>TESTIMONY ON SB0828 – FAVORABLE WITH SPONSOR AMENDMENTS</u>

Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice-Chair Klausmeier, and members of the Finance Committee

FROM: Dr. Jeffrey S. Rubin

My name is Jeffrey S. Rubin and I am a resident of District 15, in Potomac. **I am submitting this testimony in support of SB0828, Family and Medical Leave Insurance Program – Modifications, with sponsor amendments.**

As a physician, family caregiver, and cancer patient, I have firsthand experience with the stressful, time-consuming nature of medical care. PFML programs can mitigate some of the challenges that people face when confronting serious illness or other life-changing circumstances in their families, such as the birth or adoption of a child, or the relocation of a spouse in the military. Having the time off from work and financial support to effectively manage these challenging periods is not only important for the family, but for a person's employer as well. This increases the likelihood that people taking leave will be in better health, with a better state of mind, and will return to their jobs where they can resume meeting the needs of their employers. The relative lack of turnover in places that have PFML programs is a well-documented, cost-saving benefit for businesses.

I strongly believe that employees and employers should share equally in the financing of the PFML program, that is, a 50/50 split of the required contributions into the insurance fund. This is consistent with contributions to unemployment insurance programs and reflects the complementary benefits that employees and employers would receive from the PFML program. The fact that small employers are exempt from having to make financial contributions to the insurance fund eliminates a concern that was raised during deliberations last year.

I welcome other provisions in SB0828. It makes sense that the Secretary of Labor would review the status of the insurance fund on a yearly basis and adjust the size of contributions accordingly, while preserving the 50/50 split. This would enable appropriate responses to economic fluctuations and ensure the solvency of the fund over time. Extending the implementation timeline would allow the Department of Labor to develop regulations and obtain the necessary technology to run the program. I appreciate the input of PFML advocacy policy experts in proposing additional changes to the bill that passed last year, to optimize the implementation of the program.

I respectfully urge this committee to issue a favorable report on SB0828 *with the sponsor amendments.*

SB828_FAMLI_LOS.pdf
Uploaded by: Jennifer Eastman
Position: FAV

MARYLAND COMMISSION ON CAREGIVING

March 2, 2023

The Honorable Melony Griffith
Chair, Senate Finance Committee
3 East, Miller Senate Building
Annapolis, MD 21401

RE: SB 828- Family and Medical Leave Insurance Program - Modifications

Dear Chairwoman Griffith:

The Maryland Commission on Caregiving is pleased to submit this **letter of support for SB 828- Family and Medical Leave Insurance Program - Modifications**. This modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. The Maryland Commission on Caregiving also supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

Serving as the 'voice of the Maryland family caregiver,' the Maryland Commission on Caregiving ("Commission") is charged with recommending policies that positively impact family caregivers, soliciting and responding to their concerns and acknowledging their contributions. A new study by the Rosalynn Carter Institute for Caregivers finds that one in five full-time workers cares for a family member with a serious illness or disability. Nearly 20 percent of them said they had to quit a job to care for a relative and 40 percent said they had to go to part-time work. Three-quarters said they have had to leave work early to care for a loved one, 70 percent took time off and 60 percent had to take two or more days off.[1] The loss of wages caregivers experience are estimated to be a staggering $522 billion every year.[2]

FAMLI programs foster opportunities for families to care for aging loved ones, and as a result, studies show declines in nursing home utilization rates in states that have FAMLI programs.[3] When older adults are able to age in place, it creates stronger communities for all Marylanders.

Implementing Maryland's FAMLI program with a cost-sharing split of 50% employees, 50% employers is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-

[1] https://www.rosalynncarter.org/wp-content/uploads/2021/09/210140-RCI-National-Surveys-Executive-Summary-Update-9.22.21.pdf
[2] https://www.rand.org/pubs/external_publications/EP66196.html
[3] Does Paid Family Leave Reduce Nursing Home Use? The California Experience https://onlinelibrary.wiley.com/doi/full/10.1002/pam.22038

sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.

The Commission works to ensure that caregivers across the lifespan are equipped with the resources needed to provide safe care to their loved ones. Passage of SB 828 would support such efforts which is why the Commission respectfully urges a favorable report.

Sincerely,

Jennifer Eastman

Jennifer Eastman, Chair, MD Commission on Caregiving

SB 828_JoShifrin_FAV.pdf
Uploaded by: Jo Shifrin
Position: FAV

SB 828_ Jo Shifrin_ FAV
Date of Hearing March 2, 2023
Jo Shifrin
Bethesda, MD 20817

TESTIMONY ON SB 828 - POSITION: FAVORABLE

Family & Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Jo Shifrin

My name is Jo Shifrin. I am a resident of District 16. I am submitting this testimony in support of SB 828, Family & Medical Leave Insurance Program - Modifications. I am a resident of Montgomery County and I care deeply about the implementation of this bill. Judaism teaches us to value life and health, to honor our parents, to care for children. It also calls for fair treatment of workers, including the commandment in Deuteronomy 24:14 to "not oppress the hired laborer who is poor and needy."

The lack of paid family and medical leave has affected me personally:

- In the late 1990s, it became clear that my mother-in-law –who was 86, frail, and diabetic– could no longer live alone. We found a home that could accommodate all of us, but shortly after we moved in, my mother-in-law's health declined further. Without paid family and medical leave, I could not care for her and keep my full time job. As a result, I left my job to become her caregiver.
- 15 years later, I was diagnosed with breast cancer and chemotherapy rendered me virtually unable to work for several months.

In both these instances paid family and medical leave would have significantly lessened the psychological and financial burdens that I was forced to deal with.

The Time to Care Act was passed in 2022; but now it must be modified so that its implementation is equitable, fair, and just. Changes should include:

- Establishing a 50/50 contribution split between employees and employers
- Removing language that requires employees to use up all of their employer-provided leave before they can use the State program, a hardship for employees and business owners.
- Requiring the State to cover contributions for workers earning less than $15 an hour, which was the intent of the 2022 legislation.

- Extending the implementation timeline to give the Department of Labor more time to develop regulations and procure technology to run the program.
- Incorporating best practices from other states' experiences, including requiring annual reports on the effectiveness of the program; providing workers the opportunity to file claims in advance of leave when the need is foreseeable; and clarifying that employees cannot receive more than 100% of their wages if they're receiving benefits from multiple sources.

SB 828 would create a stronger program that would attract businesses to our state, generate savings on other tax-funded programs (e.g., SNAP and Medicaid), and improve the health of Maryland's children.

I respectfully urge this committee to return a favorable report on SB 828 with the sponsor amendments.

SB 828_Nancy Kunjukunju_Fav.pdf
Uploaded by: Jodi Helsel
Position: FAV

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by: Dr. Nancy Kunjukunju

Dr. Kunjukunju strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split.
Dr. Kunjukunju strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

A strong FAMLI program will undoubtedly improve the health of working Marylanders and their loved ones. As a physician, I've seen time and again how patients benefit from being able to take time off work to care for themselves, a new baby, or an aging loved one. Unfortunately, I've also seen patients struggle from not being able to do so, either because they couldn't forgo their income or because they were afraid of losing their job down the line. It's a shame, because when people are able to take time to recover from an illness or injury, they're more productive and can remain healthier long-term. When women are able to take time at home with a new baby to heal and bond, they are more likely to return to the workforce. Individuals benefit from paid leave, and so do their employers. That's why this legislation is so important.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

The research is clear. Paid family and medical leave policies reduce infant mortality and improve parental mental health. They help people facing serious health issues such as cancer better complete their treatments. They help older adults age comfortably at home. We must ensure FAMLI in Maryland is strong and sustainable to achieve these outcomes.

Dr. Kunjukunju appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.

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[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

SB 828_Richard Cook_Fav.pdf
Uploaded by: Jodi Helsel
Position: FAV

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by: Richard Cook, MD

Richard Cook strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. **Richard Cook strongly supports the sponsor amendments,** which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

Taking time off of work to recover from an injury or illness is critical for my patients' long term health. At the same time, it's vital for most that they not lose their income. Without their regular wages, my patients sometimes have to forgo additional medical treatment, prescription drugs, healthy groceries, etc., making it more difficult to remain healthy. Worrying about financial security also contributes to their stress, which is detrimental to health. On the flip side, when patients are able to take time off without losing their income, they're better able to recover and get back to work, benefitting their employers too. For these reasons, this legislation makes sense.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Data tells us that Paid Family and Medical Leave policies reduce infant mortality and improve a family's overall well-being, strengthening Maryland communities. Furthermore, individuals who face a serious medical crisis can more easily manage their treatment and afford their care. They're better able to make and attend their appointments as well as increase their treatment options, lowering Maryland's overall health care expenditures. SB 828 benefits the collective health and good of all Marylanders.

Richard Cook appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.

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[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

SB 828_MD Center on Economic Policy_FAV.pdf
Uploaded by: Kali Schumitz
Position: FAV

MDCEP
MARYLAND CENTER ON ECONOMIC POLICY

MARCH 2, 2023

Time to Care Act Was a Big Win for Workers and Families; Effective Implementation Is Key

Position Statement in support of Senate Bill 828

Given before the Senate Finance Committee

The Maryland General Assembly to a major step forward for workers and families across the state by passing the Time to Care Act in 2022. **The Maryland Center on Economic Policy extends its gratitude** to lawmakers for this decision. Senate Bill 828 makes several generally minor modifications to the law to ensure effective implementation. **The Maryland Center on Economic Policy supports Senate Bill 828** with the sponsor amendment to require equal payroll contributions by employers and workers.

2022 Time to Care Act Will Make an Important Difference for Workers and Families

Lawmakers did the right thing last year by ensuring Maryland workers can afford to take time off to care for a new child or a family member dealing with a serious illness. This decision will bring significant and wide-ranging benefits to workers and families, including improved infant health and reduced employee turnover.

Evidence from states that guarantee paid family and medical leave shows that small and large businesses alike fare well under these programs:

- Most businesses in states that today offer paid leave report positive or neutral impacts on their bottom line. Owners of small businesses are equally or more likely to report positive or neutral impacts than others.[i]
- 61% of small business owners support establishing state paid family and medical leave programs.[ii]
- Peer-reviewed research finds that businesses fare well when workers can take paid leave, with little impact on their bottom line and an increased chance that workers will return to their previous job after taking leave.[iii] Reduced turnover has significant cost savings for businesses.

Credible academic research, as well as the experience of other states with similar programs, shows that paid family and medical leave brings significant and wide-ranging benefits:[iv]

- **Public health benefits:** Evidence links paid leave guarantees to a decline in infant mortality, improvements in mothers' mental health, a 33% drop in upper respiratory complications among infants, and increased ability for aging adults to live at home. Research shows that children in low-income families see especially large health benefits.
- **Economic benefits:** A study found that California's paid leave guarantee decreased the number of mothers of young children with family income below the federal poverty line (currently about $26,000 for a family of four). While paid leave enables parents to take more time off during the first few weeks of a

child's life, research shows that it can also enable mothers to return to the paid workforce sooner. Studies have linked paid leave to improvements in productivity and declines in turnover.

Ensure Contributions Are Equitable

The Maryland Center on Economic Policy strongly urges lawmakers to adopt the sponsor amendment to Senate Bill 828 to require equal payroll contributions from employers and workers. Placing three-quarters of this responsibility would inequitably ask more of workers who typically have less ability to pay. An equal split is in line with federal contributions for Medicare and Social Security.

Last year, lawmakers set the stage for a Maryland where workers can keep their jobs and their livelihoods while dealing with some of life's most significant events. Senate Bill 828, including the sponsor amendment, will ensure that this vital law is implemented effectively.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Finance Committee make a favorable report on Senate Bill 828.

Equity Impact Analysis: Senate Bill 828

Bill summary

Senate Bill 828 makes several generally minor modifications to the Time to Care Act of 2022 to ensure effective implementation. A sponsor amendment would require equal payroll contributions from employers and workers.

Background

Lawmakers passed the Time to Care Act of 2022 over then-Gov. Hogan's veto, guaranteeing most Maryland workers partially paid family and medical leave. Benefits are funded by payroll contributions shared by employers and workers.

Evidence from states that guarantee paid family and medical leave shows that small and large businesses alike fare well under these programs:

- Most businesses in states that today offer paid leave report positive or neutral impacts on their bottom line. Owners of small businesses are equally or more likely to report positive or neutral impacts than others.[v]
- 61% of small business owners support establishing state paid family and medical leave programs.[vi]
- Peer-reviewed research finds that businesses fare well when workers can take paid leave, with little impact on their bottom line and an increased chance that workers will return to their previous job after taking leave.[vii] Reduced turnover has significant cost savings for businesses.

Credible academic research, as well as the experience of other states with similar programs, shows that paid family and medical leave brings significant and wide-ranging benefits:[viii]

- Public health benefits**:** Evidence links paid leave guarantees to a decline in infant mortality, improvements in mothers' mental health, a 33% drop in upper respiratory complications among infants, and increased ability for aging adults to live at home. Research shows that children in low-income families see especially large health benefits.
- Economic benefits**:** A study found that California's paid leave guarantee decreased the number of mothers

of young children with family income below the federal poverty line (currently about $26,000 for a family of four). While paid leave enables parents to take more time off during the first few weeks of a child's life, research shows that it can also enable mothers to return to the paid workforce sooner. Studies have linked paid leave to improvements in productivity and declines in turnover.

Equity Implications

Lawmakers' 2022 decision to guarantee paid family and medical leave brought considerable equity benefits. The lack of paid family leave placed significant, lopsided burdens on workers and families:

- Sixteen percent of workers nationwide needed to take family or medical leave in the last two years but were unable to do so, according to a 2016 survey by the Pew Research Center. This group includes 19% of women, 23% of Latinx workers, 26% of Black workers, and 30% of workers with less than $30,000 in annual income.
- Workers with unmet need for leave were more likely to cite inability to afford the lost income as a reason for taking no leave or less than they needed than any other factor (72% of those taking no leave, 69% of those taking less leave than they needed).
- While some workers received full or partial pay during their time off, Latinx workers and workers with annual income under $30,000 were least likely to receive any pay.
- Many workers who took a pay cut during their time off work dealt with the loss of income by dipping into savings intended for another purpose, cutting their leave short, taking on debt, or putting off paying bills.
- Research suggests that parents who take no leave, insufficient leave, or unpaid leave may face a higher risk of experiencing mental health problems; their children may face a higher risk of health problems or even death. Workers who face barriers to taking the leave they need—who are disproportionately workers of color or low-wage workers—are especially likely to face these risks.

Senate Bill 828 would build on this progress by ensuring effective implementation of the Time to Care Act.

The sponsor amendment to require equal contributions from employers and workers would further avoid placing disproportionate responsibilities on workers with limited ability to pay.

Impact

Senate Bill 828 including the sponsor amendment would likely **improve racial, gender, and economic equity** in Maryland.

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[i] Eileen Applebaum and Ruth Milkman, "Leaves that Pay: Employer and Worker Experiences with Paid Family Leave in California," Center for Economic and Policy Research, 2011, https://www.cepr.net/documents/publications/paid-family-leave-1-2011

[ii] v "Opinion Poll: Small Businesses Support Paid Family Leave Programs," Small Business Majority, 2017, https://smallbusinessmajority.org/sites/default/files/research-reports/033017-paid-leave-poll.pdf

[iii] Sarah Bana, Kelly Bedard, and Maya Rossin-Slater, "The Impacts of Paid Family Leave Benefits: Regression Kink Evidence from California Administrative data," Journal of Policy Analysis and Management 39(4), 2020, https://onlinelibrary.wiley.com/doi/abs/10.1002/pam.22242 Kelly Bedard and Maya Rossin-Slater, "The Economic and Social Impacts of Paid Family Leave in California: Report for the California Employment Development Department," California Employment Development Department, 2016, https://www.edd.ca.gov/disability/pdf/PFL_Economic_and_Social_Impact_Study.pdf

[iv] Heather MacDonagh, "Family and Medical Leave Insurance," Department of Legislative Services, 2019, http://dls.maryland.gov/pubs/prod/BusTech/Family_and_Medical_Leave_Insurance.pdf

[v] Eileen Applebaum and Ruth Milkman, "Leaves that Pay: Employer and Worker Experiences with Paid Family Leave in California," Center for Economic and Policy Research, 2011, https://www.cepr.net/documents/publications/paid-family-leave-1-2011

[vi] v "Opinion Poll: Small Businesses Support Paid Family Leave Programs," Small Business Majority, 2017, https://smallbusinessmajority.org/sites/default/files/research-reports/033017-paid-leave-poll.pdf

[vii] Sarah Bana, Kelly Bedard, and Maya Rossin-Slater, “The Impacts of Paid Family Leave Benefits: Regression Kink Evidence from California Administrative data,” Journal of Policy Analysis and Management 39(4), 2020, https://onlinelibrary.wiley.com/doi/abs/10.1002/pam.22242
Kelly Bedard and Maya Rossin-Slater, “The Economic and Social Impacts of Paid Family Leave in California: Report for the California Employment Development Department,” California Employment Development Department, 2016, https://www.edd.ca.gov/disability/pdf/PFL_Economic_and_Social_Impact_Study.pdf

[viii] Heather MacDonagh, “Family and Medical Leave Insurance,” Department of Legislative Services, 2019, http://dls.maryland.gov/pubs/prod/BusTech/Family_and_Medical_Leave_Insurance.pdf

Worker's Average Weekly Wage	Annualized	Weekly Contribution (Assume 0.67% Rate)		Weekly Contribution (0.75% Maximum Allowable Rate)		Weekly Wage Replacement	Notes
		Total	Worker's Share (50% of Total)	Total	Worker's Share (50% of Total)		
$100	$5,200	$0.67	$0.34	$0.75	$0.38	$90	
$150	$7,800	$1.01	$0.50	$1.13	$0.56	$135	
$200	$10,400	$1.34	$0.67	$1.50	$0.75	$180	
$250	$13,000	$1.68	$0.84	$1.88	$0.94	$225	
$500	$26,000	$3.35	$1.68	$3.75	$1.88	$450	$12.50 per hour, 40 hours per week *
$600	$31,200	$4.02	$2.01	$4.50	$2.25	$540	$15.00 per hour, 40 hours per week **
$683	$35,490	$4.57	$2.29	$5.12	$2.56	$614	90% / 50% Replacement rate threshold
$750	$39,000	$5.03	$2.51	$5.63	$2.81	$648	
$1,000	$52,000	$6.70	$3.35	$7.50	$3.75	$773	
$1,050	$54,600	$7.04	$3.52	$7.88	$3.94	$798	FY 2020 average weekly wage ***
$1,250	$65,000	$8.38	$4.19	$9.38	$4.69	$898	
$1,454	$75,608	$9.74	$4.87	$10.91	$5.45	$1,000	Maximum benefit
$1,500	$78,000	$10.05	$5.03	$11.25	$5.63	$1,000	
$1,750	$91,000	$11.73	$5.86	$13.13	$6.56	$1,000	
$2,000	$104,000	$13.40	$6.70	$15.00	$7.50	$1,000	
$2,250	$117,000	$15.08	$7.54	$16.88	$8.44	$1,000	
$2,500	$130,000	$16.75	$8.38	$18.75	$9.38	$1,000	
$2,827	$147,000	$18.94	$9.47	$21.20	$10.60	$1,000	Social Security contribution cap
$3,000	$156,000	$18.94	$9.47	$21.20	$10.60	$1,000	
$3,500	$182,000	$18.94	$9.47	$21.20	$10.60	$1,000	
$4,000	$208,000	$18.94	$9.47	$21.20	$10.60	$1,000	
$5,000	$260,000	$18.94	$9.47	$21.20	$10.60	$1,000	

Source: Maryland Center on Economic Policy. Created January 11, 2022.

* 2022 Minimum wage.

** 2025 Minimum wage for most workers.

*** For illustration, this table uses the FY 2020 average weekly wage of $1,050 as reported by the Maryland Workers' Compensation Commission.

UFCW 400 Favorable Written Testimony for SB 828 -
Uploaded by: Kayla Mock
Position: FAV

SB 828 - FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – MODIFICATIONS

SUPPORT
March 1, 2023

To: The Honorable Chair Griffith, Vice Chair Klausmeier, and Members of the Senate Finance Committee

From: Kayla Mock, Political & Legislative Director
United Food and Commercial Workers Union, Local 400

Dear Chair Griffith and members of the Senate Finance Committee:

I appreciate the opportunity to share my testimony on behalf of our over 10,000 members in Maryland who have worked on the frontlines and been essential employees in grocery, retail, food distribution, law enforcement, healthcare, and cannabis. Through collective bargaining, our members raise the workplace standards of wages, benefits, safety, and retirement for all workers.

UFCW 400 strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. **UFCW 400 also strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Studies show that family and medical leave programs have a substantial impact on increasing women's labor force participation, ultimately reducing the gender wage gap, which is a benefit for all Maryland businesses and the state as a whole. Additionally, Black and Latino workers are far more likely to forgo needed time off when they lack paid leave and take on more debt if they do take leave. Family and medical leave programs advance racial equity and build economic security for workers of color, which benefits all Maryland businesses and communities. Lastly, turnover costs businesses approximately 20% of an employee's annual salary, but in states that have family and medical leave programs, paid leave has improved worker retention. Reduced employee turnover is good for the bottom line of all employers in Maryland.

We appreciate your consideration and strongly urge a favorable report on SB 828 with sponsor amendments.

SB 828_MFN_FAV_Weeldreyer.pdf
Uploaded by: Laura Weeldreyer
Position: FAV

MARYLAND FAMILY NETWORK

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Testimony Concerning SB 828
"Family and Medical Leave Insurance Program - Modifications"
Submitted to the Senate Finance Committee
March 2, 2023

Position: Favorable

Maryland Family Network (MFN) supports SB 828, which would address implementation considerations related to the "Time to Care Act of 2022" (TTC). When enacted last Session, TTC left some important aspects open for further review during the Interim, including the determination of the contribution rate and the contribution split between employers and employees. SB 828 reflects the results of this review and adds clarification to other components of TTC.

MFN has worked since 1945 to improve the availability and quality of child care and other supports for children and their families. We have been active in state and federal debates on policies that address the needs of working families and are strongly committed to ensuring that they have the supports they need to care for their children while meeting the demands of their jobs.

For many Maryland employees, the ability to take time away from work following the birth or adoption of a child is simply unaffordable. Nearly 25% of women return to work after taking 10 or fewer days of parental leave, potentially putting themselves and their children at risk physically and emotionally. And yet we know that the benefits of parental leave—to children, to parents, and to society as a whole—are profound. Parental leave demonstrably improves child and maternal health, and it helps address some of the most critical opportunities for child development. These are among the many vitally important reasons that the General Assembly enacted TTC, and MFN remains deeply grateful.

SB 828 would make TTC even better. It would eliminate the requirement that employees exhaust nearly all earned paid time off before being eligible for paid leave under the Family and Medical Leave Insurance program. It would modify the implementation timeline to ensure a successful launch. It clarifies definitions and sets important parameters for the program, putting it firmly on the path toward effective implementation.

MFN supports the sponsor's intent to amend the employer-employee contribution split in SB 828 as introduced. Amended as such, we urge a favorable report.

Copy of Finance Committee Template (JUFJ) (1).pdf
Uploaded by: Lisa Barkan
Position: FAV

BILL# SB 828_Lisa A. Barkan_FAV

March 2, 2023
Lisa A. Barkan
Towson, MD 21286

My name is Lisa A. Barkan. I am a resident of District 42B. I am submitting this testimony in support SB#/ 828, Family Leave Insurance Program–Modifications

Last session this Legislature passed the Time To Care Act which was an historic victory for all Marylanders. It provides Marylanders some paid time off to take care of themselves or their loved ones who are ill without fearing that they will lose their job or be unable to pay for food, rent or their mortgage.

Passing the Time to Care Act was the first step in creating an equitable and functioning paid leave program. SB 828 with sponsor amendments addresses the second step—implementing the Family and Medical Leave Insurance Program contained in the Time to Care Act. SB 828 specifies various aspects of programmatic implementation, administration and the cost-sharing split. Importantly, the sponsor amendments contain a 50/50 split in cost sharing between employers and employees. Such a split would make the program more equitable and affordable. It is also in line with most other states including Delaware.

I know how important paid family leave is. My son Alex was born with a liver disease. When he was eight and a half months old he needed a liver transplant. His doctors told my husband and me that one of us should remain home with him for four months after his transplant. At that time, I worked as an Assistant Attorney General in the Maryland Office of the Attorney General. My co-workers donated some of their leave time to me and I was paid for four months.

When Alex was two and a half years old, he developed an aggressive lymphoma which was caused by the immunosuppressant medicine He was hospitalized in September and he died at the end of October. He went into the hospital and he never came home. My co-workers donated time to me once again and I was paid for the time Alex was in the hospital until I returned to work. There are other working parents who have critically ill children. They deserve a robust and accessible paid family leave program.

Last year, Maryland passed one of the strongest and most comprehensive paid family leave programs in the country. The 50/50 split contained in the sponsor amendments creates a program that is equitable to both employees and employers and it allows Maryland's paid family leave program to continue to be held up as a national model.

I **respectfully urge this committee to return a favorable report on SB# 828.**

WA - SB 828 - FAMLI Modifications - FAV.pdf
Uploaded by: Lisa Klingenmaier
Position: FAV

Welfare Advocates

Founded 1979
228 W. Lexington Street — Suite 220 ▪ Baltimore, Maryland 21201-3432
Phone: 667-600-3356 ▪ Email: lklingenmaier@cc-md.org

Senate Bill 828
Labor and Employment- Family and Medical Leave Insurance Program- Modifications

Senate Finance Committee
March 2, 2023

Support

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate about and advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. Welfare Advocates also strongly supports the sponsor amendments that make the cost-sharing split 50-50 between employers and employees.

Passing the Time to Care Act last session was a monumental first step in realizing a Maryland FAMLI program, as the need to take time off is universal, but the ability to do so is not. The critical work to implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022 so that no one will have to choose between caring for a loved one or paying the bills. SB 828 puts important provisions and parameters in place for building a robust FAMLI program, propelling the program squarely down the path for a successful and smooth implementation.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for employers and employees in Maryland. As everyone benefits from a statewide FAMLI program, all stakeholders should contribute to the costs. For instance, FAMLI programs - like California's program - have decreased poverty among mothers with one-year-olds, which ultimately reduces budgetary expenditures in other state-funded safety net programming like Temporary Cash Assistance (TCA).[1] Reducing the number of children and families living in or near poverty through paid leave increases the economic security of all Marylanders. Consequently, FAMLI programs are a collective good, and splitting the contribution rate 50/50 recognizes this.

Ultimately, SB 828 with sponsor amendments lays the foundation for a strong FAMLI program that will improve and advance the health and financial security of all Marylanders. **For the reasons stated above, we respectfully urge a favorable report on SB 828.**

Submitted by Lisa Klingenmaier, Chair of Welfare Advocates

[1] Alexandra Boyle Stanczyk, Does Paid Family Leave Improve Household Economic Security Following a Birth? Evidence from California, Social Service Review 93, no. 2 (June 2019): 262-304. https://www.journals.uchicago.edu/doi/abs/10.1086/703138

SB 828 - Family and Medical Leave Insurance Progra
Uploaded by: Loraine Arikat
Position: FAV

Testimony in Support of SB 828

Family And Medical Leave Insurance Program - Modifications

Dear Chair Griffith and members of the Finance Committee:

My name is Ricarra Jones and I am the political director with 1199 SEIU. We are the largest healthcare union in the nation with over 10,000 members in Maryland and DC working in hospitals, long term care facilities, and federally qualified health centers. 1199 SEIU strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. 1199 SEIU strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

For 1199 SEIU members, we know how essential care work is. Approximately 80% of older adults have at least one chronic illness, and in order to stay healthy and productive, older adult workers need time to care. As our workforce and overall population ages, FAMLI programs allow older adults - and their caregivers - access to paid leave to manage serious health conditions, which strengthens families and improves the public health of all Marylanders.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

1199 SEIU appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.

Sincerely,

Ricarra Jones, Political Director

Ricarra.jones@1199.org

SB828_PJC_FAV.pdf
Uploaded by: Lucy Zhou
Position: FAV

Lucy Zhou, Attorney
Public Justice Center
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SB 828: Family and Medical Leave Insurance Program - Modifications

Hearing of the Senate Finance Committee, March 2, 2023

Position: Favorable

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project works to expand and enforce the right of low-wage workers to receive an honest day's pay for an honest day's work. The PJC **supports SB 828**, which proposes certain modifications necessary for the Department of Labor to effectuate the Time to Care Act, a law passed last year creating a paid family and medical leave program. This year, legislation is needed to establish the contribution split between workers and employers that will fund the program's benefits and to clarify details regarding the program's implementation.

Research from other states shows that the benefits of paid leave programs are manifold. The ability to take time to bond with a new child or recover from a serious illness improves public health and decreases overall health care expenditures.[1] While all workers benefit from paid family and medical leave, the policy advances racial and gender equity because women of color are far more likely to lack employer-provided paid leave and therefore take unpaid leave or forgo needed time off. The policy thus builds economic security for all covered workers, but especially for workers of color.[2] Paid leave programs are also good for business: they improve worker retention, which saves employers money through reduced turnover costs; increase worker productivity, loyalty, and morale; and increase businesses' competitiveness in the global economy.[3]

Because workers and employers alike reap the benefits of paid family and medical leave, they ought to evenly share the cost. The PJC supports the sponsor amendment to SB 828 providing for a 50/50 contribution split between workers and their employers. This even split would allow for the cost

[1] Paid Leave Works: Evidence from State Programs, National Partnership for Women and Families, Feb. 2022, https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-leave-works-evidence-from-state-programs.pdf.
[2] Paid Family and Medical Leave: A Racial Justice Issue – and Opportunity, National Partnership for Women and Families, Aug. 2018, https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf.
[3] Paid Family and Medical Leave: Good for Business, National Partnership for Women and Families, Sept. 2018, https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-leave-good-for-business.pdf.

of the Time to Care program to be borne equitably and affordably. The 50/50 split is in line with what most states that have recently passed paid leave programs do, including neighboring Delaware.

SB 828 would make other necessary modifications to the Time to Care Act to assist with the implementation process and clarify some ambiguities. These include:

- Extending the implementation timeline to give the Department of Labor more time to issue necessary regulations and set up the technology needed to operationalize the program;
- Requiring the Department of Labor to update the contribution rate on an annual basis to be responsive to the economy and other current events;
- Requiring the Department of Labor to submit annual reports of disaggregated data on the effectiveness of the program;
- Removing the requirement that workers exhaust all of their employer-provided leave before using the paid family and medical leave program;
- Providing workers the ability to appeal the amount or duration of benefits under the program;
- Clarifying that a worker cannot receive more than 100% of their wages if they are receiving paid leave benefits through another program while they receive benefits under the paid family and medical leave program; and
- Explicitly providing workers the opportunity to file claims *before* taking leave when the need for leave is foreseeable.

These changes are critical to the promise of the Time to Care Act. For the foregoing reasons, the PJC **SUPPORTS SB 828** with sponsor amendments and urges a **FAVORABLE** report. Should you have any questions, please call Lucy Zhou at 410-625-9409 ext. 245.

SB0828_MaraGreengrass_FAV.pdf
Uploaded by: Mara Greengrass
Position: FAV

March 2, 2023

Mara Greengrass
Rockville, MD 20852

TESTIMONY ON SB828 - POSITION: FAVORABLE

Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Mara Greengrass

My name is Mara Greengrass. I am a resident of District 18 and I am submitting this testimony in support of SB828, Family and Medical Leave Insurance Program - Modifications.

I'm a long-time member of Congregation Beth El in Bethesda, where my kids attended preschool and had their b'nai mitzvot. I've talked a lot with them about fundamental Jewish values such as human dignity and community. We must view the "other" as being no different than ourselves and in need of the same kind of care and protection.

In 2018, when my mother was dying, I was an independent contractor with no paid leave. (I still am, in fact!) I learned how to take meetings in hospital rooms, write up reports in the nursing home lobby, and juggle nearly simultaneous phone calls with coworkers and physical therapists while waiting for the hospice nurse to show up. I had to do all of that because if I don't work, I don't get paid.

I was thrilled that this body approved paid family and medical leave for people like me last year and I urge you to make sure it doesn't get watered down. There are so many consultants and contractors and other employees who don't get paid leave. They work through illnesses (their own and their family's) and even family deaths, because the mortgage and electric bills don't stop coming due just because your mother is dying in the Hebrew Home or your son is in the NICU at Shady Grove Adventist.

Please support full implementation of the Family and Medical Leave Insurance Program. Hard-working Marylanders deserve to take care of their health and families, no matter the circumstances of their employment. **I respectfully urge this committee to return a favorable report on SB828 with the sponsor amendments.**

SB 828_MNADV_FAV.pdf
Uploaded by: Melanie Shapiro
Position: FAV

BILL NO: Senate Bill 828
TITLE: Family and Medical Leave Insurance Program – Modifications
COMMITTEE: Finance
HEARING DATE: March 2, 2023
POSITION: **SUPPORT WITH SPONSOR AMENDMENTS**

The Maryland Network Against Domestic Violence (MNADV) is the state domestic violence coalition that brings together victim service providers, allied professionals, and concerned individuals for the common purpose of reducing intimate partner and family violence and its harmful effects on our citizens. **MNADV urges the Senate Finance Committee to issue a favorable report with sponsor amendments on SB 828.**

Domestic violence and economic instability are inextricably linked. While economic stress does not cause the power and control dynamics of domestic violence it can exacerbate the violence. In addition, many victims of domestic violence lack the financial stability and resources to leave an unhealthy or violent relationship and pursue safety. MNADV supports measures that promote economic justice and would enable victims of domestic violence to achieve financial independence such as affordable childcare, paid sick leave, and educational opportunities. Access to Paid Family Leave increases protective factors and economic support for women, which in turn lowers their risk factors for Intimate Partner Violence (IPV), and any reduction in the prevalence of IPV improves the safety and public health of all Marylanders.[1]

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and

[1] D'Inverno, Ashley Schappell;Reidy, Dennis E. and Kearns, Megan C. (2018). Preventing Intimate Partner Violence through Paid Parental Leave Policies. Prev Med. 114:18-23. https://www.sciencedirect.com/science/article/pii/S0091743518301804

For further information contact Melanie Shapiro ■ Public Policy Director ■ 301-852-3930 ■ mshapiro@mnadv.org

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Tel: 301-429-3601 ■ E-mail: info@mnadv.org ■ Website: www.mnadv.org

most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

For the above stated reasons, the **Maryland Network Against Domestic Violence urges a favorable report on SB 828.**

SB828_MichelleMazurek_FAV.pdf
Uploaded by: Michelle Mazurek
Position: FAV

March 2, 2023

Michelle Mazurek
Silver Spring, MD 20910

TESTIMONY ON SB#828 - FAVORABLE WITH SPONSOR AMENDMENTS

Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Michelle Mazurek

My name is Michelle Mazurek, and I am a resident of District 20. I am submitting this testimony in support of SB#828, which modifies the Family and Medical Insurance (FAMLI) program by specifying details about the program's implementation and administration. In particular, I urge you to support the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in alignment with the House Bill.

Passing the Time to Care Act in 2022 was a huge victory for Maryland families, but there is more work to do to make sure the program is implemented to be accessible, equitable, and robust, so that this program can fully fulfill its potential. In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This parameter is critical: this cost-sharing split is in line with most other states and will help to ensure that Maryland's FAMLI program is one of the strongest and most comprehensive in the country. A 50-50 split is fair to both employees and employers, both of whom benefit from the program, and keeps it affordable for both.

Currently, my mother-in-law, who lives in Gaithersburg, is suffering from Stage 4 cancer and spent the last month in the hospital; we are thrilled that she was able to move to a rehab just last week and is expected to go home soon. My father-in-law has dropped everything to spend every day with her, supporting her, managing her treatment, and coordinating among dozens of doctors and nurses. He was able to do that because he is (mostly) retired and was able to take leave from the retirement "job" that he is lucky not to need financially. If he had not been able to do that, I do not think her treatment would be going nearly as well.

Our family is not alone – studies show that individuals facing a serious medical crisis - like cancer - are better able to complete their treatment, increase their treatment options, and afford their care if they have access to a FAMLI program. Further, access to FAMLI programs help families to care for aging loved ones in place rather than in nursing homes. The entire state benefits when Marylanders can take time to care, with increased survivorship, stronger communities, and decreases in overall health care expenditures.

Implementing the FAMLI program equitably and effectively – including the 50/50 employer/employee split – will allow more families like mine to take care of their loved ones, achieving the promise of last year's Time To Care Act. **I respectfully urge this committee to return a favorable report, with sponsor amendments, on SB#828**

SB 828 - WLCMD - FAV.pdf
Uploaded by: Michelle Siri
Position: FAV

Women's Law Center of Maryland
JUSTICE FAIRNESS EQUALITY
305 West Chesapeake Avenue, Suite 201 Towson, MD 21204
phone 410 321-8761 fax 410 321-0462 www.wlcmd.org

BILL NO:	Senate Bill 828
TITLE:	Family and Medical Leave Insurance Program – Modifications
COMMITTEE:	Finance
HEARING DATE:	March 2, 2023
POSITION:	**SUPPORT**

The Women's Law Center of Maryland (WLC) is dedicated to ensuring the physical safety, ***the economic security***, and the autonomy of women throughout the State. One way we work towards this goal is by supporting systemic changes to our current economic policies and practices that disproportionately affect women. Senate Bill 828 builds on the historic legislation from 2022 establishing the Family and Medical Leave Insurance (FAMLI) Program. SB 828 modifies the FAMLI Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. The WLC strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House version of the bill.

The Time to Care Act was just the first step in realizing paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling its promise, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation. **In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers.** This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment will ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Women continue to be the primary caregivers for children and family members, even more so since the start of the pandemic. Unfortunately, while women now make up nearly half the workforce, and two-thirds of Maryland families have women as the sole, primary, or co-breadwinner, women are disproportionately represented in low-wage jobs without access to paid family leave. Indeed, while only 18% of workers in general are covered by paid leave, that number is reduced to 6% for low wage workers – the workers who can least afford to go without a paycheck. As such, it should not be surprising that 15% of working women who have a child without paid leave end up on public assistance. But FAMLI will benefit the workforce as a whole, as women with paid leave are 70% more likely to return to work, thus saving employers time and money that would otherwise need to be spent on recruiting, hiring, and training new staff.

It is critical to establish the proper mechanisms now so that FAMLI can be successful for the future of our workforce. For all those reasons, the WLC urges a favorable report, with the sponsor amendments, on SB828.

The Women's Law Center of Maryland is a private, non-profit legal services organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal representation for individuals and statewide advocacy to achieve systemic change.

MDTestimony3.2.23 CAP.pdf
Uploaded by: Molly Williamson
Position: FAV

Testimony on SB 828, Family and Medical Leave Insurance Program- Modifications
Maryland Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by Molly Weston Williamson, Senior Fellow, Center for American Progress

My name is Molly Weston Williamson and I'm a Senior Fellow at the Center for American Progress, where my work focuses on paid leave policy advocacy and research at the state and federal levels. I have been working on paid leave around the country for many years and am especially proud to have been working in support of passage of paid leave in Maryland since 2017.

I thank the chair, the sponsor, and the committee for the opportunity to speak today regarding SB 828. I am proud to support this legislation with the sponsor's amendments, which would offer valuable technical adjustments to clarify and improve the already strong Maryland law. In particular, splitting the contributions to sustain the program 50/50 between employees and contributing employers would be in line with established best practices and with the shared rewards paid leave brings to employees and employers.

Like Maryland, most states that have passed paid leave legislation share the costs between employees and employers. Adopting a 50/50 split would align Maryland with the national trend. Among the states that share costs, an even split is the most commonly used ratio. A fifty/fifty ratio is in use in Colorado, the most recent state to begin collecting premiums, and will be in use in neighboring Delaware, whose legislation was enacted shortly before Maryland's. This year, the ratio in Massachusetts is also approximately 50/50. A more detailed list of current premium sharing arrangements is included in the appendix.

The even shares approach also mirrors the way that Social Security and Medicare are funded, with employers and employees each paying half the total tax rate. This approach is both fair and familiar to Maryland employers and employees who have been paying into—and benefitting from—the same shared value, shared responsibility approach in the federal context for years.

In addition, the legislation before you reflects the decision Maryland made last year to exempt employers with fewer than fifteen employees from paying contributions. Therefore, whatever split the legislature ultimately assigns will not impose excessive—or any—cost burdens on the smallest employers.

This bill reflects the value that paid leave will bring to employers and the economy, along with the value it will bring to workers.

Paid leave supports the economy.
Nationwide, our economy loses out on an estimated $22.5 billion in wages per year due to our lack of a national paid family and medical leave program.[1] By passing paid leave last year, Maryland has stepped up to ensure that its workers will not be left paying the cost of inaction.

That means money being put directly back into the state's economy and to Maryland's communities, as those benefitting from paid leave buy food, clothing, and medicine and pay their rent and bills.

Paid leave also keeps our economy strong by increasing labor force participation, especially for women.[2] As research from states that have already implemented paid leave programs shows, paid leave means new mothers are more likely to be working after a child's birth and caregivers are better able to continue working. Increased labor force participation will benefit Maryland employers and the state's economy.

Moreover, paid leave can have important, beneficial ripple effects for the state budget and the economy. For example, one study found that California's paid leave program resulted in an 11% decrease in nursing home usage, which can reduce Medicare and Medicaid spending.[3] Similarly, paid leave can help in combatting substance use disorders, reducing needed spending on the harms brought on by substance abuse.[4]

Paid leave supports businesses.

Especially in a tight labor market, paid leave is a critical recruiting tool: workers with access to paid leave are 22% more likely to recommend their job to a friend.[5] Small business owners especially see the recruiting benefits: those who offer paid leave report seeing it as a business imperative and those who do not struggle in hiring.[6]

Paid leave can reduce employee turnover,[7] keeping experienced employees on the job. Reducing costly turnover saves employers money, from the costs of hiring and training to the reduced productivity of newer employees. Replacing an employee can cost nearly 40% of that employee's annual wages[8]—money directly out of employers' pockets.

Research shows that the adoption of state paid leave programs corresponds to an increase in productivity,[9] mirroring the productivity benefits businesses see from adoption of their own paid leave programs.[10] Increased productivity, in turn, benefits the bottom line, one of the key reasons businesses often experience increased profitability following the adoption of paid leave programs.[11]

Paid leave is a smart investment in workers, businesses, and the state's economy, one that Maryland has wisely chosen to make. This bill, including the sponsor's amendments, will move Maryland forward in enacting that powerful vision. I strongly urge a favorable report on SB 828 with sponsor amendments.

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[1] Sarah Jane Glynn, *The Rising Cost of Inaction* (2020), Center for American Progress, https://www.americanprogress.org/article/rising-cost-inaction-work-family-policies/.

[2] *Fact sheet: What does the research say about the economics of paid leave?*, Washington Center for Equitable Growth, https://equitablegrowth.org/factsheet-what-does-the-research-say-about-the-economics-of-paid-leave/.

[3] *Id.*

[4] Isabel Atkinson, *Universal Paid Leave: A Pathway for Treating Substance Use Disorder* (2021), National Partnership for Women & Families, https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/universal-paid-leave-pathway-treating-substance-use-disorder-issue-brief.pdf.

[5] Thea Garon et al., *Unpaid And Unprotected: How The Lack Of Paid Leave For Medical And Caregiving Purposes Impacts Financial Health* 5 (2021) , https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/unpaid-and-unprotected-how-lack-paid-leave-impacts-financial-health.pdf.

[6] Small Business For America's Future, *Paid Leave Policies On Main Street* (2021), https://www.smallbusinessforamericasfuture.org/small-business-for-america-s-future-releases-paid-leave-survey-results.

[7] Benjamin Bennett et al., *Paid Leave Pays Off: The Effects of Paid Family Leave on Firm Performance* (Nat'l Bureau of Econ. Rsch., Working Paper No. 27788, 2021), https://www.nber.org/system/files/working_papers/w27788/w27788.pdf.

[8] Kate Bahn and Carmen Sanchez Cumming, *Improving U.S. Labor standards and the quality of jobs to reduce the costs of employee turnover to U.S. companies* (2020), p. 4, Washington Center for Equitable Growth, https://equitablegrowth.org/wp-content/uploads/2020/12/122120-turnover-costs-ib.pdf.

[9] Benjamin Bennett et al., *Paid Leave Pays Off: The Effects of Paid Family Leave on Firm Performance* (Nat'l Bureau of Econ. Rsch., Working Paper No. 27788, 2021), https://www.nber.org/system/files/working_papers/w27788/w27788.pdf.

[10] Panorama & Am. Sustainable Business Council, *The Business Impacts of Paid Leave* (2019), https://www.asbcouncil.org/sites/main/files/file-attachments/panorama_report_-_business_impacts_of_paid_leave.pdf.

[11] *Id.*

Appendix: Cost Sharing in State Paid Leave Programs

All rates are as of March 2023, except where marked.

		Employee cost[1]	Employer cost[1]	Income subject to contributions annually	Employer contribution exemption	Employee/employer contribution ratio
Employer only	D.C.	N/A	0.26%	No limit	No	0/100
Shared costs	Colorado	0.45%	0.45%	Social Security limit[2]	Under 10 employees	50/50
	Delaware[3]	0.4%	0.4%	Social Security limit[2]	No[4]	50/50
	Maryland[5]	*TBD*	*TBD*	*Social Security limit[2]*	*Under 15 employees*	*50/50*
	Massachusetts	0.318%	0.312%	Social Security limit[2]	Under 25 employees	50/50[6]
	New Jersey	0.06%	0.10% to 0.75%[7]	Employees: $156,800 Employers: $41,100	No	Varies
	New York[8]	TDI: Up to 0.5% PFL: 0.455%	Varies[9]	TDI (Employees): $6,240[10] TDI (Employers): No limit PFL: $87,785.88	No	Varies
	Oregon	0.6%	0.4%	$132,900	Under 25 employees	60/40
	Washington	0.582%	0.218%	Social Security limit[2]	Under 50 employees	73/27[6]
Employee only	California	0.9%	N/A	$153,164	N/A	100/0
	Connecticut	0.5%	N/A	Social Security limit[2]	N/A	100/0
	Rhode Island	1.1%	N/A	$84,000	N/A	100/0

[1] All costs are expressed as a percentage of wages. Employer cost reflects contributing employers. Except where marked, percentages are total applicable program costs.
[2] For 2023, the Social Security contribution limit is $160,200 in income.
[3] Listed rates are the initial rates. Contributions in Delaware begin January 1, 2025.
[4] While Delaware does not exempt any covered employers from contributing, Delaware's law excludes from coverage employers with fewer than 10 employees for parental leave and with fewer than 25 employees for medical and caregiving leave; employers who are not covered do not contribute.
[5] Reflects proposed approach under SB 828 with sponsor amendments.
[6] Calculated ratio is approximate.
[7] New Jersey employer premiums are experience rated by employer based on program use for temporary disability insurance.
[8] This row refers to temporary disability insurance (TDI) and paid family leave (PFL), where costs are broken out separately.
[9] Employers pay the cost for TDI that is not covered by the allowable employee contribution (which varies); employers do not contribute to the cost of paid family leave.
[10] Technically, the limit is a maximum contribution of 60 cents per week, which is equivalent to $6,240 in annual income subject to contribution.

SB0828_NatalieSpicyn_FAV.pdf
Uploaded by: Natalie Spicyn
Position: FAV

March 2, 2023
Natalie Spicyn, MD, MHS, FAAP
Baltimore, MD 21211

TESTIMONY ON SB828 - POSITION: FAVORABLE

Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee
FROM: Natalie Spicyn, on behalf of Jews United for Justice (JUFJ)

My name is Natalie Spicyn and I am a resident of District 40, in Baltimore City. On behalf of Jews United for Justice (JUFJ), I am submitting this testimony in support of SB828, Family and Medical Leave Insurance Program - Modifications, with sponsor amendments to ensure equitable implementation. JUFJ organizes 6,000 Jewish Marylanders and allies from across the state in support of social, racial, and economic justice campaigns.

Last year, as a primary care physician, a new mother, and a Jew, I celebrated alongside other advocates when our General Assembly passed the historic Time to Care Act, advancing economic, racial, and health justice for all Marylanders, ranging from my most vulnerable patients at the community health center, to my colleagues employed in the healthcare field. Nearly everyone needs time away from work at some point to welcome a baby, care for a relative, or deal with a serious personal illness; Jewish sacred texts recognize this reality and implore employers to do right by their employees. The Family and Medical Leave Insurance (FAMLI) Program will allow 2.5 million Marylanders to take time off to care for themselves and a loved one. But in order for the program to realize its full potential and promise, clarifying legislation is needed to ensure that its implementation is just and inclusive.

The 50/50 cost–sharing split, laid out in the sponsor amendments to SB828, is fundamental to fair and equitable coverage for lower-income Marylanders. Several other provisions included within SB828 — among them clarifying language related to private plan standards, exhaustion of employer-provided leave, and state coverage of employee contribution for those making less than $15/hour — serve to bring implementation of Maryland's FAMLI Program in line with the values of the Program and the State.

Paid leave will help my patients in numerous ways. We have ample data that paid leave improves breastfeeding rates, with health benefits accruing to both parent and baby. In California, implementation of a state-level paid family leave plan fueled rates of on-time infant immunization, which is increasingly important given the tripledemic of this past winter, and reduced rates of shaken baby syndrome and other forms of child abuse. Black and Latiné communities are disproportionately unable to take time off to care for themselves or family members, and strong and equitable paid and family medical leave is both a moral imperative and an opportunity to enact structural solutions in the fight to decrease health disparities.

We will never finish this work; it's continuous and ongoing, and reflects the quote from *Pirkei Avot* that is on our JUFJ shirts: It's not on you to finish the work, but you can't quit either. We have started the work of ensuring the health and well-being of all Marylanders by passing the initial legislation last session; now, let us not desist from implementing a program that will have that intended impact.

On behalf of Jews United for Justice, **I respectfully urge this committee to return a favorable report on SB828 with sponsor amendments to ensure strong and equitable Paid Family & Medical Leave implementation in our state.**

SB0828-FAV-DTMG-3-2-23.pdf
Uploaded by: Olivia Bartlett
Position: FAV

Olivia Bartlett, DoTheMostGood Maryland Team

Committee: Finance

Testimony on: SB0828 – Family and Medical Leave Insurance Program - Modifications

Position: Favorable

Hearing Date: March 2, 2023

Bill Contact: Senator Antonio Hayes

DoTheMostGood (DTMG) is a progressive grass-roots organization with members in all districts in Montgomery County as well as in several neighboring counties. DTMG supports legislation and activities that keep all Maryland residents healthy and safe in a clean environment and which promote equity across all our diverse communities. SB0828, with sponsor amendments, will implement the fair and effective paid leave program which Maryland working families need, ensuring that no one must choose between the family they love and the job they need.

Passing the Time to Care Act of 2022 in the last legislative session was a historic victory for all Marylanders, and one of the strongest and most comprehensive FAMLI programs in the country. However, that was just the first step in realizing a Paid Family and Medical Leave program in Maryland. The critical work to create and implement an accessible, equitable, and robust program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this effort. SB0828 will fix certain definitions and make modifications that are necessary for the Department of Labor to implement this critical program effectively.

SB0828 will modify the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. DTMG supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB0828 in the same posture as the House Bill. This is fundamentally important, since it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. A 50/50 cost-sharing split will ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

The FAMLI program will not only benefit individual workers but will have a widespread positive impact across our state. Based on the experience of states that already have paid leave programs in place, we can expect benefits that include an improvement in public health; reduced spending on public benefits; a decrease in child maltreatment; and increased retention of women and workers of color in the workplace.

Paid leave is proven to support businesses, workers, and families. Passing SB0828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

Therefore, DTMG strongly supports SB0828 with the sponsor amendments and urges a **FAVORABLE** report on this bill.

Respectfully submitted,

Olivia Bartlett
DoTheMostGood Maryland Team
oliviabartlett@verizon.net
240-751-5599

SB_828_PFML_Letter_2023.pdf
Uploaded by: Philemon Kendzierski
Position: FAV

March 2, 2023

The Honorable Chair Melony Griffith
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

RE: Senate Bill 828 – Family and Medical Leave Insurance Program – Modifications

Favorable

Dear Chair Griffith

We are writing on behalf of the American Council of Life Insurers ("ACLI") and the League of Life and Health Insurers of Maryland ("League"). ACLI and the League's member companies together provide over 95% of the life, disability, long term care insurance and annuities in Maryland and nationally. We respectfully ask for your favorable consideration of Senate Bill 828 – Family and Medical Leave Insurance Program – Modifications.

Our members are committed to ensuring that the State's Family and Medical Leave Insurance Program (FAMLI) is implemented in a way that ensures all Marylanders have the opportunity to take leave to care for themselves or a loved one. We have been proud advocates for the passage of a Paid Family and Medical Leave (PFML) in Maryland for years and are committed to working closely with state partners and key stakeholders in the years to come to implement this vitally important program.

The law, as passed during the 2022 session, created the Family and Medical Leave Insurance Program to provide wage replacement for Maryland workers that will protect them from economic loss due to serious health conditions, the welcoming of a new child into their family, caring for sick family members, and qualifying exigencies created by active military duty. The bill also ensures the ability for employers in the state to opt out of the state FAMLI program if they elect to choose a private plan that meets or exceeds to protections and benefits outlined in the law. Across the country, states with the most solvent paid leave programs are those with the healthiest private plan markets. A healthy private plan market is critical because it helps reduce the burden on the state program and benefits employers and employees financially through competition for business.

While the law passed during the 2022 session was monumental in creating the FAMLI program, there are some technical aspects of the law that SB 828 attempts to clarify. These changes reflect input from a diverse group of stakeholders, including League members, and improve the current law to ensure smooth program implementation. Many of these technical changes reflect lessons learned from programs implemented across the country and are aimed at providing clarity and simplifying processes. In addition to the changes made in the current version of this bill, the committee and State leaders must also consider the feasibility of the current program timeline. In order to ensure that there is proper time for program development, solvency, and education, the current dates will need to be pushed back.

The establishment of the FAMLI program in 2022 and the passage of this bill are the first steps in a long process to provide PFML benefits to Marylanders. The League is a committed partner in ensuring that Maryland law allows for the smoothest implementation process and that future legislation and rulemaking reflects the lessons learned from other states.

Respectfully submitted,

Matthew Celentano
American Council of Life Insurers
The League of Life and Health Insurers of Maryland

cc: Members, Senate Finance Committee

SB0828_CC_Vaughan_FAV.pdf
Uploaded by: Regan Vaughan
Position: FAV

100 YEARS CATHOLIC CHARITIES
CHERISHING THE DIVINE WITHIN ALL

SB 828
Family and Medical Leave Insurance Program Modifications
Finance Committee
March 2, 2023

Support

Catholic Charities of Baltimore strongly supports SB 828, which would clarifies aspects of the Family and Medical Leave Insurance (FMLI) program.

Inspired by the Gospel to love, serve and teach, Catholic Charities provides care and services to improve the lives of Marylanders in need. For 100 years, Catholic Charities has accompanied Marylanders as they age with dignity, obtain empowering careers, heal from trauma and addiction, achieve economic independence, prepare for educational success and feel welcome as immigrant neighbors. We recognize the strong public interest in providing all employees with the opportunity to receive wage replacement when they take time to care for themselves or a family member.

Last year, the General Assembly passed the Time to Care Act which established the parameters for the FMLI program. It was an historic step toward providing workers with the flexibility they need to balance work and health. After the passage of the bill, we continued to meet with stakeholders to discuss implementation of the bill. Through those discussions we identified areas of the bill that required adjustment and clarification. Additionally, we knew that there some issues that were left unresolved in the original legislation. The bill addresses those concerns in a number of ways.

First, the law that passed did not establish a contribution split between employees and employers. We agree with the sponsor's amendments to establish a split at 50/50 so that employers and employees contribute equal shares. This is consistent with other insurance programs such as Social Security and Medicare. It also recognizes that societal benefits that we will all reap when workers can take the time they need to care for themselves or a loved one.

Second, the bill adjusts the timeline for implementation. The previous administration did not set us on a path to success. The new administration has a heavy lift ahead of them. The language in the bill has a modest delay – we believe that, ultimately, we will need to delay contribution collections by a year and benefit distribution by 9-12 months.

Third, the bill establishes some parameters around the private plans that employers can offer if they opt out of the public plan. We appreciate the consumer protections around rates that can be charged, wage calculation and benefits. However, we do believe that language needs to be added giving the Maryland Insurance Administration the ability to regulate insurance products sold for this purpose.

Fourth, the bill adds in best practices for implementing a smooth system including definitions, language around appeals, reporting requirements, specifies application timelines, and adds in more employer notifications.

Fifth, the bill establishes that the State will cover the contribution amount for employers that provide services to individuals with disabilities and behavioral health needs. This is predicated on the intent language expressed in last years bill.

With the passage of last year's Time to Care Act, all eyes turned to Maryland. Now it is time to implement the program. SB 828 will set us on the path for a smooth implementation.

For the reasons listed above, Catholic Charities of Baltimore appreciates your consideration, and urges the committee to issue a favorable report for SB 828.

Submitted By: Regan Vaughan, Director of Advocacy

Testimony In Support of SB 828 - HB 988 - Finance
Uploaded by: Rich Ceruolo
Position: FAV

February 28, 2023

Maryland Senate
11 Bladen St.
Annapolis, MD. 21401
In Support of SB 828 / HB 988: Family and Medical Leave Insurance Program – Mods.

Members of the Maryland Senate's Finance Committee.

Our 1500 plus membership of families strongly support SB 828 / HB 988**,** which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of its implementation, administration, and the cost-sharing split.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

Our families need this kind of safety net coverage in the event that one, or both parents of a family unit need to take time off from full time work in order to care for their child, children or aging parents. It happens quite often within the disability community, that a child's medical treatment may require additional time at home or in a hospital setting. It would be helpful to these families to have this program to fall back upon, so that they do not experience a loss of one or both parental incomes. Setting the family back financially.

SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split ensures our program centers the needs of both employees and employers.

Please return a favorable report on SB 828 / HB 988. Thank your consideration of our testimony.

Mr. Richard Ceruolo | richceruolo@gmail.com
Parent, Lead Advocate and Director of Public Policy
Parent Advocacy Consortium: https://www.facebook.com/groups/ParentAdvocacyConsortium

Family and Medical Leave Insurance Testimony.pdf
Uploaded by: Seth Morgan
Position: FAV

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by: **Seth A. Morgan, 5417 Center Street, Chevy Chase, MD 20815**

I strongly support SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split and **strongly support the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

As a senior citizen, I benefitted from California's Family and Medical Leave program when my son, who lives in California, was able to take time from his job thanks to their fund to assist me and my wife here in Maryland following my diagnosis of an aggressive form of cancer in 2020. All Marylanders deserve this program!

I appreciate your consideration and strongly urge a favorable report on SB 828 with sponsor amendments.

Respectfully,

Seth A. Morgan

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[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

SB 828 NMSS Support Shannon Wood 3 2 23 .pdf
Uploaded by: Shannon Wood
Position: FAV

Testimony on SB 828: Family and Medical Leave Insurance Programs – Modifications
Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by: Shannon Wood, Director of Advocacy and Policy

The National Multiple Sclerosis Society (Society) strongly supports SB 828, to modify the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. The Society supports the sponsor amendments, allowing for a more equitable cost-sharing split (50-50) between employers and employees, to make the Senate bill consistent with the House bill.

Multiple sclerosis (MS) impacts nearly 1 million people in the United States. It is an unpredictable, often disabling disease of the brain and spinal cord that interrupts the flow of information from the brain to the body. Symptoms range from numbness and tingling to blindness, and paralysis. The progress, severity and specific symptoms of MS in any one person cannot yet be predicted. The cause is unknown and there is no cure.

Most people with MS are diagnosed between the ages of 20 and 50 which are prime working years. People living with MS often continue working long after their diagnosis, but some may need time away from work to manage what can be a serious health condition. Additionally, their family members may need time away from work to care for them. The federal Family and Medical Leave Act (FMLA) provides important unpaid job-protected leave. However, fewer than 40 percent of workers in the United States (U.S.) have access to personal paid medical leave through employer-provided short-term disability insurance—which means many people cannot afford to take leave when they need it.

For those who must take time off without pay, it can be challenging to make ends meet. The average cost of living with MS, including both direct and indirect expenses (e.g., healthcare costs, lost wages), is upwards of $88,487 per year, per person[1]. Unpaid time off can lead to financial devastation for families affected by MS and struggling to make ends meet.

Passing the Time to Care Act of 2022 last legislative session was monumental for Marylanders affected by MS, but just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing

[1] https://n.neurology.org/content/98/18/e1810

split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

The Society sincerely appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments. If you have any questions regarding the Society's position, please contact Shannon Wood, Director of Advocacy and Policy, at shannon.wood@nmss.org.

SB828_SharonGreen_FAV Docs.pdf
Uploaded by: Sharon Green
Position: FAV

Date of Hearing: 3/2/2023

Sharon Green
Pikesville, MD 21208

TESTIMONY ON SB828 - POSITION: FAVORABLE

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

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Sharon Green

My name is Sharon Green. I am a resident of District 11. I am submitting this testimony in support of SB828, Labor and Employment – Family and Medical Leave Insurance Program – Modifications.

Greetings. My name is Sharon Green. I am a teacher/school administrator at Krieger Schechter Day School and a member of Chizuk Amuno Congregation. I am also a wife and mother of two pre-teen children. As someone who has needed family/medical leave, and someone who has spent my years in education working directly with hundreds (thousands?) of families all experiencing the ups and downs of life with the ebbs and flows of needs I know how crucial it is to the safety and security of all children that families are able to stay afloat through the inevitable challenges of life. The whole concept of community is based on support and a safety net that catches us all when we need it because our strength is collective. That is why it is crucial to pass SB0828 and ensure that ALL of Maryland's families can have the support they need to make us a stronger state.

In January 2022 my family all got sick with Covid-19 at the same time. This was during the Omicron surge, and was our first encounter with Covid. It happened despite all of us being vaccinated, and the adults boosted, and wearing masks whenever we left the house. My illness was beyond a "mild cold", I was quite sick for quite a while, and I think that needing to help care for my children while sick may have worsened my condition as I could not rest the way I needed. Prolonged sickness meant more days off of work, and I watched my Paid Time Off disappear before my eyes. Time that I earned through my hard and dedicated work as an educator. Time I was planning to use for a visit to my family later this year. Time I intended to save in case I needed it. It's all gone now, and watching the hours slowly decrease was painful and maddening. But, the truth is, I am lucky to have had any of that time. As my PTO disappeared, and I thought about the money I would now be docked and the future days off I would not be able to take, I felt grateful that I had that time at all. Not everyone does. I felt scared about my loss of income, but the truth is that we will be ok. I am lucky that my husband earns a good wage and that we have a marriage that allows us to easily share our financial resources. I cannot imagine what catching an illness (or being a caregiver to someone who is sick) would do to a single mom, to someone with an hourly-pay job, to a family not "official" by marriage, or to someone who is living paycheck to paycheck as so many Marylanders are. The number of days I was sick and out of work for another family would mean there was no food, or no medicine, or no diapers, or no telehealth checkups. Bad luck that happened to me could have destroyed my family and left my children hungry and scared. In Maryland in 2023 that is something we have the resources and ability to avoid and so it would be unconscionable to do otherwise. Life is full of things that happen to people through no fault of their own and passing SB828 would go a long way to making sure that no matter who you are or what you do for a living, we Marylanders will lend each other a helping hand. Bills like these represent the potential of the government to help ALL people. Because life happens to all of us.

I respectfully urge this committee to issue a favorable report on SB828 *with the sponsor amendments.* It is something everyone can cheer for and that all constituents of all districts will benefit from. This is what it means to build community.

SB0828 FAVORABLE 50-50 SDLong 030123.pdf

Uploaded by: Sharon Long

Position: FAV

Good day, Madam Chair! My name is Sharon Long and I live in Fort Washington, MD. I strongly **SUPPORT SB828**, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. Cost-sharing for SB828 should be **50-50** between employers and employees, same position as the House bill.

Two years ago, I spoke in SUPPORT of the Time to Care Act. I'm back again to continue voicing my support in hopes of getting what is now SB828 all the way over the finish line. I have multiple sclerosis, or MS, (a disease of the brain, optic nerves, and spine) and it significantly impacts my ability to walk and stand on a daily basis. I use it as a "superpower" to think "outside the box" to get things done. Regardless of how challenging my MS is, I have not missed a day of work because of it. I remain a contributing member of society- working full-time, paying taxes, going to church, and volunteering in both my MS and general communities.

The point of this legislation is what "**Could**" happen health-wise. MS is **unpredictable**. ***Bills aren't!*** Just like you get yours, I get mine and pay them. Bills don't care if I'm well or sick. I also factor in my parents who are in their mid-80s. Thankfully, their health is stable, but **Any** of us could have a health event requiring my taking time off from work.

As a full-time employee, who helped support my organization successfully through the recent pandemic, I would hope that such loyalty from myself and other loyal, hardworking employees would be manifested in a 50-50 split of SB828.

Thanks for your consideration and I strongly urge a **FAVORABLE** report on **SB828** with the sponsor amendments. Loyalty should count for something!

SB 828 Family and Medical Leave Insurance Program
Uploaded by: Tammy Bresnahan
Position: FAV

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SB 828 Family and Medical Leave Insurance Program - Modifications
FAVORABLE
Senate Finance Committee
March 2, 2023

Good Afternoon Chair Griffith and members of the Senate Finance Committee. I am Tammy Bresnahan. I am the Senior Director of Advocacy for AARP MD. On behalf of our almost 900,000 members, we would like to thank you for the opportunity to speak in support SB 828. We thank Senator Hayes for sponsoring SB 828.

AARP is a nonpartisan, nonprofit, nationwide organization that helps strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

SB 828 modifies the Family and Medical Leave Insurance Program by clarifying and altering provisions relating to the administration of the Program.

According to AARP Public Policy Institute, only one and seven workers in the private sector has employer-provided paid family leave, according to the United States Labor Department. Among caregivers who left the workforce, just over half say they quit their jobs because they did not have the flexibility to keep working and provide elder care. Whether giving or receiving care, older workers are likely to need the time, access to health benefits, and job security that the Family Leave Act provides.

Like last year, AARP believes Maryland has made significant strides in supporting Maryland's 730,000 family caregivers, however, we still have work to do to enable workers to take care of themselves and their loved ones--passing the Maryland Family Leave Act last year was a huge step in providing that benefit. However, it is our belief that the bill needs clarifying to be implemented. We know that States who have a Paid Family Leave law provide protections to more workers and the broader range of family members who are taking on caregiving responsibilities.

States leading the way like California, New Jersey, New York, Rhode Island, Washington State, New Hampshire, Delaware, Massachusetts, Connecticut and Washington, D.C. have all determined who will pay and by how much.[1]

[1] https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2022/12/2022-10-27-State-PFL-Laws-Comparison-1.pdf

Paid Family Leave offers (PFL) a solution to many of the pitfalls associated with unpaid leave. PFL helps workers remain at their jobs and continue as family caregivers—benefiting workers, employers, and the economy. For workers who take on family caregiving responsibilities but cannot afford adequate time off to do so, PFL can provide peace of mind when they need to take a period away from work. For employed family caregivers, PFL can also promote economic security—a key component of social determinants of health.

Managing paid work alongside providing care for an adult or aging family member with a serious health condition or disability can be stressful for employed caregivers when their needs are not being met by existing workplace policies. Because most family caregivers now hold paying jobs too, employed caregivers need access to workplace leave benefits that enable them to fulfill both their caregiving and paid work responsibilities.

Workers should not have to choose between keeping their jobs and providing care to a seriously ill family member when they need it the most. Without a paycheck to cover the basic costs of living while providing care, low-wage workers are particularly vulnerable. They tend to have the least access to paid time off for caregiving needs and cannot afford to take unpaid family leave. States are leading the way.

Given the aging of the population and the workforce, caregiver-friendly policies—such as PFL and paid sick days—are important for maintaining both economic growth and a worker's own economic security. Workplace leave policies are a sound investment for employers and for America's working families with caregiving responsibilities.

AARP recommends that states should take the lead and implement policies that strengthen financial security for employed family caregivers. We encourage a FAVORABLE report on SB 828. For further information please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.

SEIU State Council Testimony IN FAVOR of SB 828 FM

Uploaded by: Terry Cavanagh

Position: FAV

SEIU Maryland& DC State Council

1410 Bush Street, Suite F
Baltimore, Maryland 21230

Testimony in **FAVOR of SB 828**

Family and Medical Leave Act - Modifications

Senate Finance Committee
March 2, 2023
1:00 PM

Presented by: Terry Cavanagh, Executive Director

We urge a **FAVORABLE Report on SB 828**

We are proud to say we were early supporters of The Time to Care Act. After several years of trying, we were successful in getting the 2022 Session of the General Assembly to pass it and to override then-Governor Hogan's veto of this incredibly popular approach to dealing with workers' and employers' needs to balance work, personal health, and families.

We commend all those legislators who had the courage to stand up for the legislation. We must take note that all legislators who voted for The Time to Care law were re-elected by the voters.

In 1993 President Bill Clinton signed into law, the Family & Medical Leave Act. It was a hallmark of his first term. However, most workers could not afford to take advantage of the law since they could not go without a regular paycheck. Over the last several years, many states recognized this need, and since the federal government will not or cannot address this issue at their level, acted. Now, Maryland joins more than 10 states and our neighbors in the District of Columbia in enacting Paid Family & Medical Leave legislation. Its been a long time coming, but as someone once said, it's never too late to do the right thing. This is the right thing. Now is the right time.

We salute Senator Hayes for his indefatigable efforts to pass the bill last year and his continued diligence to get the job done this session.

There are a few important points that must be addressed now.

TIMING – We know the committee and the Senate will adopt effective dates for contributions and benefits that are responsible. A balance must be struck between meeting the immediate needs of Maryland's families with making sure we have the expertise and structure to get it done right.

OVERALL COST – In establishing the overall rate of contributions, we ask that you be careful, but not overly cautious. There may be a tendency to come with a high overall cost showing "an abundance of caution". We ask that you keep in mind the rate translates into hard-earned dollars for workers and businesses. We can use the experience of the several states that have come before us to establish a rate that will adequately fund benefits.

THE SPLIT – We understand that Senator Hayes will be offering sponsor amendments to make the employee / employer split on premium payment at 50 percent each. We support that amendment.

There is a symmetry and balance in a 50/50 split of costs for the program between workers and employers which no other numbers can match. Some make the argument that since the workers are the beneficiaries of the program, they should pay for it, and if not 100%, then 75% is surely reasonable. We reject this argument and ask you to do the same. Wages or pay increases are an obvious benefit from employment, but it would be absurd for workers to pay for their own raises.

Others may say employers ought to pay 100% of the costs. We are tempted to accept this logic, especially since our closest neighbor, the District of Columbia, has a similar program where employers do pay 100% of premiums. However, we recognize political and legislative reality, and knowing the split what states who have recently passed similar laws have done, a 50/50 split is reasonable.

ADMINISTRATION – An unanswered question is "Who will run this program?". Some with argue that given the recent disastrous management of the Unemployment Insurance program, state government and least of all the Department of Labor should be running the program. This argument ignores what Governor Moore has made a cornerstone of his administration. You can't expect government to function properly and serve the needs of the people if you do not staff the departments adequately. His budget reflects what been ignored for too long – we need to staff up state government to meet Maryland's needs.

We strongly urge you to develop the expertise of direct government employees and hold them and state managers accountable. For those who may believe that outsourcing these services is somehow like spreading magical pixie dust on the issue, we direct you to the Connecticut experience with their FMLA. It was not good.

Lobbyists have been hired by companies to laud their experience and expertise on these programs, but no matter how many ads they run or how loud they quack, direct government workers have a much better track record on this issue in performance and accountability than their for-profit counterparts. Why shouldn't Maryland develop the expertise to be the best?

Thank you.

We ask a **FAVORABLE REPORT of SB 828**

(3.01) SB 828 - Family and Medical Leave Insurance

Uploaded by: Tonaeya Moore

Position: FAV

SB 828 - Family and Medical Leave Insurance Program - Modifications
Senate Finance Committee
March 2nd, 2023
SUPPORT

Chairwoman Griffith, Vice-Chair and members of the committee, thank you for the opportunity to submit testimony in support of Senate Bill 828. This bill modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. CASH **strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than $10,000 annually. More than half earn less than $20,000.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Thus, we encourage you to return a favorable report for SB 828.

575 S. CHARLES STREET SUITE 500 BALTIMORE, MD 21201 TEL: 443-692-9487 FAX: 410-234-8929 CASHMD.ORG

TTC - SB 828 - PFML Modifications - FAV.pdf
Uploaded by: Trap Jervey
Position: FAV

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by Trap Jervey, Manager of the Time to Care Coalition

The Time to Care Coalition is a statewide coalition of nearly 2,000 organizations and individuals - including non-profits, faith communities, unions, and businesses - that has been working since 2016 to establish a comprehensive paid family and medical leave program in Maryland.

The Time to Care Coalition strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. **The Time to Care Coalition strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

The Time to Care Coalition has championed a FAMLI program that follows our five key principles:

- A program must be cost-effective for workers, employers, and the government;
- Cover all working people and apply equally to all working people;
- Reflect an inclusive definition of family and include the well-established reasons people need paid family and medical leave;
- Provide up to 12 weeks of leave and replace a substantial share of workers' usual wages; and
- Protect workers against adverse consequences for taking leave. With sponsor amendments, SB 828 creates the framework necessary to implement the FAMLI program in line with these five principles.

Notably, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI laws.[1] Maryland has been praised for passing one of the strongest and most comprehensive FAMLI programs in the country, and the SB 828 sponsor

[1] *A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US.* *https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/*

amendments to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

SB 828 - with sponsor amendments – also adjusts the existing law by:

- Adding definitions to clarify what wages would be included for purposes of calculating the average weekly wage, that domestic partners are included under the definition of "family member," and how an application year would be counted;
- Adding language to better conform with FMLA the circumstances for which a covered employee can take leave when a child enters their home by specifying it must be the covered individual's child, and by allowing leave for the circumstances leading up to a kinship/foster/adoptive placement;
- Adding additional requirements for the certification that must be submitted to the Secretary for the purpose of leave including duration, frequency of intermittent leave, and standards for verifying next of kin;
- Requiring the Department to include disaggregated data in their annual report and specifying that only the public components of the program should be included in the report;
- Changing the Secretary's report on the solvency of the fund and the appropriate total rate of contribution to occur annually rather than biannually;
- Requiring the Secretary to set the contribution rate on an annual basis and adjust the timeline;
- Allowing the employer to pay the full amount or a portion of the employee contribution if they so choose;
- Mandating the state to pay the employer contribution for the Medicaid community and the employee contribution for those making under $15/hour;
- Clarifying that an employee can apply for foreseeable leave in advance and sets deadlines for the application;
- Clarifying that when an event qualifies for both federal Family and Medical Leave and Paid Family Leave that the leaves run concurrently;
- Removing language requiring an employee to exhaust all employer-provided leave before availing themselves of the program, but allows employers and employees to agree that employer-provided leave is used in conjunction with Paid Family Leave to replace 100% of an employee's average weekly wage;
- Clarifying language about what happens if the maximum benefit is increased while an individual is receiving benefits;
- Setting standards for how a private plan will set a benefit amount;
- Specifying what a completed application is and the Department's notification requirements for both employees and employers; and
- Prohibiting an employer offering a private plan from charging an employee more than the public contribution.

The Time to Care Coalition believes that passing SB 828 with sponsor amendments is critical in the effort to build a strong FAMLI program in Maryland. **The Time to Care Coalition appreciates your consideration and strongly supports SB 828 with sponsor amendments.**

For a full list of member organizations, visit: timetocare.net

SEIU 500 Favorable Testimony for SB 828 TTC Modifi
Uploaded by: Travis Simon
Position: FAV

Hearing Testimony March 2, 2023
Senate Finance Committee
Service Employees International Union, Local 500, CtW, CLC

Senate Bill 828 – Family Medical Leave Act - Modification

SUPPORT

SEIU Local 500 represents over 20,000 working people in Maryland, Washington D.C., and Virginia. Our union represents the support staff at the Montgomery County Public School system, Family Child Care Providers, Faculty and Staff at several Maryland colleges and universities, staff at non-profits and many other working people across the region. We urge a **FAVORABLE report on SB 828.**

THE SPLIT – We also support the amendments that the Sponsor will be offering that would codify into law the split of the contributution to be 50/50. There is a symmetry and balance in a 50/50 split of costs for the program between workers and employers which no other numbers can match. Some make the argument that since the workers are the beneficiaries of the program, they should pay for it, and if not 100%, then 75% is surely reasonable. We reject this argument and ask you to do the same. Wages or pay increases are an obvious benefit from employment, but it would be absurd for workers to pay for their own raises.

Others may say employers ought to pay 100% of the costs. We are tempted to accept this logic, especially since our closest neighbor, the District of Columbia, has a similar program where employers do pay 100% of premiums. However, we recognize political and legislative reality, and knowing the split what states who have recently passed similar laws have done, a 50/50 split is reasonable.
We are proud to say we were early supporters of The Time to Care Act. After several years of trying, we were successful in getting the 2022 Session of the General Assembly to pass it and to override then-Governor Hogan's veto of this incredibly popular approach to dealing with workers' and employers' needs to balance work, personal health, and families. We commend all those legislators who had the courage to stand up for the legislation. We must take note that all legislators who voted for The Time to Care law were re-elected by the voters.

In 1993 President Bill Clinton signed into law, the Family & Medical Leave Act. It was a hallmark of his first term. However, most workers could not afford to take advantage of the law since they could not go without a regular paycheck. Over the last several years, many states recognized this need, and

LOCAL 500
SEIU
Stronger Together

since the federal government will not or cannot address this issue at their level, acted. Now, Maryland joins more than 10 states and our neighbors in the District of Columbia in enacting Paid Family & Medical Leave legislation. Its been a long time coming, but as someone once said, it's never too late to do the right thing. This is the right thing.

We salute Senator Hayes for his indefatigable efforts to pass the bill last year and his continued diligence to get the job done this session.

ADMINISTRATION – An unanswered question is "Who will run this program?". Some with argue that given the recent disastrous management of the Unemployment Insurance program, state government and least of all the Department of Labor should be running the program. This argument ignores what Governor Moore has made a cornerstone of his administration. You can't expect government to function properly and serve the needs of the people if you do not staff the departments adequately. His budget reflects what been ignored for too long – we need to staff up state government to meet Maryland's needs.

We strongly urge you to develop the expertise of direct government employees and hold them and state managers accountable. For those who may believe that outsourcing these services is somehow like spreading magical pixie dust on the issue, we direct you to the Connecticut experience with their FMLA. It was not good.

Lobbyists have been hired by companies to laud their experience and expertise on these programs, but no matter how many ads they run or how loud they quack, direct government workers have a much better track record on this issue in performance and accountability than their for-profit counterparts. Why shouldn't Maryland develop the expertise to be the best?
Thank you.

We ask a **FAVORABLE REPORT on Senate Bill 828 SB 828**

SB 828 SWA Time to care.pdf
Uploaded by: Alexa Thomas
Position: FWA

Mary Pat Fannon, Executive Director
1217 S. Potomac Street
Baltimore, MD 21224
410-935-7281
marypat.fannon@pssam.org

BILL:	SB 828
TITLE:	Family and Medical Leave Insurance Program - Modifications
DATE:	March 2, 2023
POSITION:	Support with amendments
COMMITTEE:	Senate Finance Committee
CONTACT:	Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four public school superintendents, **supports** Senate Bill 829 **with amendments** to delay contributions to July 1, 2024 to better align with local govt budgetary processes, and to require the Department of Labor (DLLR) to release guidance on private opt-out application and other processes by Jan 1, 2024.

This legislation clarifies pieces of the Family and Medical Leave Insurance Program, which was adopted by the Legislature in 2022. The bill clarifies and alters certain provisions relating to the administration of the Program, including provisions related to the provision of benefits, the payment of contributions, and appeals. The bill establishes the employer and employee shares of the total rate of contribution. Under this legislation, the State is required to pay for certain contributions for certain employers and certain covered employees. This bill repeals the requirement that a covered individual exhaust all employers–provided leave that is not required to be provided under law before receiving benefits under the Program. Lastly, the bill authorizes a covered individual and an employer to agree to use certain leave to replace wages during the period of leave for which benefits are received under the Program.

PSSAM welcomes the modifications and clarification in Senate Bill 828, but supports additional amendments to provide an appropriate timeframe to set up these programs in school systems and local governments. We stand with our partners - Maryland Association of Boards of Education (MABE), the Maryland Municipal League (MML), and the Maryland Association of Counties (MACo) - in requesting these amendments.

The Time to Care Act of 2022 established the Family and Medical Leave Insurance (FAMLI) Program and Fund. This fund provides up to 12 weeks of benefits to a covered individual taking leave for personal and family circumstances. The Fund consists of contributions from employees and employers. The law requires that by June 1, 2023, the Secretary of Labor must adopt regulations to implement the program, and must set the total rate of contribution and percentage of the total contribution rate to be paid by employers and employees that will be in effect from October 1, 2023, through December 31, 2025. Then, beginning October 1, 2023, employers and employees are to begin making payroll contributions to the Department of Labor to generate the FAMLI Fund and to support benefits payments in 2025.

This legislation requires the Secretary of Labor to set the employer and employee contribution rates by Sept. 1, 2023; it also extends the start date for the mandated funding and payroll contributions to the Fund by October 1, 2023 to Jan. 1, 2024. This January deadline is especially troublesome because it is right in the middle of our fiscal year and it also creates a funding obligations beginning on July 1, 2023.

For practical reasons, this extension is extremely important. In order to meet any approval deadline, we are seeking an amendment for a date-certain from DLLR to promulgate regulations regarding the exemption criteria, and the application review and approval process. Clear guidelines with enough time to review, plan, and implement are more than reasonable in light of this significant new initiative.

Also, the months of January through July are valuable for budget planning for contributions to the State plan, as well as the complex work of adapting existing school system employee payroll infrastructure. Starting in July 2024 nicely aligns with our fiscal year, as well as the budgeting, negotiating and implementation of The Blueprint for Maryland's Future,.

For the reasons stated above, PSSAM requests a **favorable report on Senate Bill 828, with amendments** addressing our concerns.

SB 828 - FWA - MML.pdf

Uploaded by: Bill Jorch

Position: FWA

Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

March 2, 2023

Committee: Senate Finance

Bill: SB 828 - Family and Medical Leave Insurance Program - Modifications

Position: Support with amendments

Reason for Position:

The Maryland Municipal League (MML) supports Senate Bill 828, with amendments, as it makes modifications to the State Family and Medical Leave Insurance Program. The MML amendments are an extension of concerns raised by MML over the implementation of this important program.

Employers need to know the process and criteria for the exemption to employers that provide an equal or higher level of benefits to their employees ahead of the mandatory contribution date in order to determine how to proceed with their own employer sponsored plan. Municipal governments as employers also have a July 1 fiscal year budget within which they need to operate, and mandating that contributions to the Fund start in the middle of a fiscal year, as is in current law and this bill, makes budgeting very difficult. The MML proposed amendments address both concerns and place the dates in a sequence that allow for appropriate decision making for local government employers.

MML offers the following two amendments, which in conjunction should smooth the rollout of the State program:

1. Insert the following language:
   "(A) ON OR BEFORE JANUARY 1, 2024, THE MARYLAND DEPARTMENT OF LABOR SHALL PUBLISH:

   (1) REGULATIONS OUTLINING THE STANDARDS THAT NEED TO BE ACHIEVED BY AN EMPLOYER IN ORDER TO MEET THE EQUIVALENCY EXEMPTION PROVIDED IN 8.3-705(A), AND

   (2) PROCESSES BY WHICH EMPLOYERS MAY APPLY TO THE DEPARTMENT FOR THE EXEMPTION PROVIDED IN 8.3-705(A).

2. On page 11, line 10:

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | www.mdmunicipal.org

> (a) Beginning **[**October 1, 2023**]** ~~**JANUARY**~~ <u>**JULY**</u> **1, 2024**, each employee of an employer, each employer with 15 or more employees, and each self–employed individual participating in the Program shall contribute to the Fund.

While municipal governments are mostly recognized for the quality of life services they provide, they also employ almost 9,000 people in Maryland. Municipal governments often offer excellent fringe benefits, including generous leave policies, in order to compete with higher salaries offered in the private sector. It is these benefits that lead, in large part, to municipal governments having an incredibly high employee retention rate, and municipal governments would like to continue to offer them as an additional recruitment and retention incentive.

MML and our members agree with the policy to create a State paid family leave program and with the above amendments, municipal governments will be able to continue to offer great benefits to their employees. As such the League supports the passage of SB 828, with amendments.

FOR MORE INFORMATION CONTACT:

Theresa Kuhns	Chief Executive Officer
Angelica Bailey Thupari, Esq.	Director, Advocacy & Public Affairs
Bill Jorch	Director, Public Policy
Justin Fiore	Deputy Director, Advocacy & Public Affairs

SB0828-FIN_MACo_SWA.pdf
Uploaded by: Brianna January
Position: FWA

MARYLAND Association of COUNTIES

Senate Bill 828

Family and Medical Leave Insurance Program - Modifications

MACo Position: **SUPPORT WITH AMENDMENTS**

To: Finance Committee

Date: March 2, 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, but does not sufficiently resolve counties' concerns regarding the timeline and opt-out process for private plans of equal or greater benefit to the State's.

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 not resolved in SB 828 as drafted. 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.

While SB 828's proposal to defer contributions to the Family and Medical Leave Insurance Fund by three months (from October 2023 to January 2024) is helpful, it continues to conflict with the rigid, unique budgetary processes, and timelines to which local governments must adhere. Secondly, under the 2022 law, every Maryland county is legally required to participate in the State's FAMLI Program or to seek an exemption if the county provides an equal benefit. The 2022 law failed to detail the process by which local governments can seek an exemption, and, unfortunately, SB 828 also fails to do so.

To adequately address these continued concerns, counties propose the following amendments:

- Defer employer contributions to July 1, 2024, so that counties can properly consider and prepare for budget implications of these contributions ahead of FY25.
- Require the Department of Labor to adopt private plan exemption procedures and criteria and appeals process in regulations by January 1, 2024.

Adopting these amendments will help ensure a smooth, transparent process for the State and local governments that better aligns with the unique budgetary timelines and procedures by which they are constrained. For these reasons, MACo urges a **FAVORABLE WITH AMENDMENTS** report on SB 828.

SB0828_FWA_LifeSpan, MAADS, MNCHA, HPCNM_Family &
Uploaded by: Danna Kauffman
Position: FWA

Managed by LifeSpan

TO: The Honorable Melony Griffith, Chair
Members, Senate Finance Committee
The Honorable Antonio Hayes

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer
Christine K. Krone
410-244-7000

DATE: March 2, 2023

RE: **SUPPORT WITH AMENDMENT** – Senate Bill 828 – *Family and Medical Leave Insurance Program – Modifications*

On behalf of the LifeSpan Network, the Maryland Association of Adult Day Services, the Maryland-National Capital Homecare Association, and the Hospice and Palliative Care Network of Maryland, we respectfully **support with amendment** Senate Bill 828. Senate Bill 828 makes several modifications to the Family Medical and Leave Act (FMLA) passed last Session.

Our support is contingent on the issues being addressed below. Issues of concern are as follows.

- The bill requires the State to pay for the employer contribution for developmental disability providers and behavioral health providers. However, it omits the class of Medicaid providers that were referenced along with developmental disability and behavioral health providers in the minimum wage bill. Given that the funding issues are the same, we would request inclusion in this section.

- As you know, there is a health care workforce crisis, making it very difficult to hire and maintain staff. Health care providers are required to meet certain staffing requirements pursuant to licensing regulations as well as payment programs. Currently, when staff are absent, providers are required to contract with nurse staff agencies, which is not only expensive but often not in the best interest of the residents/clients due to continuity of care issues. As such, removing the provision that the employee may not be required to exhaust all leave prior to taking FMLA leave is problematic and could easily exacerbate staffing issues.

- Similarly, the notification provisions and the timing of notice to employers is unclear in the bill from an operational standpoint (Sections 8.3-403 and 8.3-703). For reasons stated above, the ability to have adequate time to plan, as practicable, is essential in ensuring care delivery.

Again, we ask for your consideration of these issues in order to ensure that this program does not have the unintended consequence of causing disruptions in the delivery of health care to Maryland's vulnerable residents.

SB828_AFSCME3_FWA.pdf
Uploaded by: Denise Gilmore
Position: FWA

AFSCME 3
190 West Ostend St., #201
Baltimore, MD 21230
Phone: 410.547.1515
Fax: 410.837.5436

Patrick Moran - President

SB 828 - Family and Medical Leave Insurance Program - Modifications

POSITION: FAVORABLE WITH AMENDMENTS

AFSCME Council 3 represents nearly 30,000 state and higher education employees across Maryland. Nationally, AFSCME also represents workers in the 11 states and DC where paid family leave has already been implemented. We support SB 828 with amendments. Here in Maryland, and nationally, AFSCME is proud to support the expansion of paid leave benefits to working families.

We believe publicly administered and funded paid family leave plans ensure the most equity and are best at helping to protect worker access. Rhode Island and DC have these types of plans. Connecticut is the only state has privatized 100% of the administration of the plan. We are vehemently opposed to this model as it has been expensive, ineffective and workers have experienced higher rates of denials there (see enclosed report for more details). Most other states generally allow an employer to offer private plans that are the same or better benefits than the public option. The legislation passed last year establishing Maryland's Family and Medical Leave Insurance Program allows employers to provide a private plan, while administering a state-run public plan under the Department of Labor.

Under this model, we believe the following amendments are critical to ensure that workers have robust protections in employer-provided private plans. We also want to ensure that Maryland employers don't get away with having bad private plans at the same time they are getting out of providing contributions to public plan. We believe more safeguards in SB 828 are needed around two key areas:

1. **Initial Plan Approval.** Maryland's law does provide for a private employer's plan to be filed with the Department for approval. We believe some initial guidelines should be placed on these plan approvals to address some or all of the following: benefit levels, purposes, duration, and eligibility; cost to employee; timeliness of benefits;

equal rights and protections; appeals processes; notice requirements; employee approval to seek a private plan; and eligibility standards used to approve or deny claims.

2. **Ongoing Oversight and Enforcement.** In 8.3—406, there are good annual reporting requirements of the public plan, but private plans are exempted from the same annual report, and they should not be. We also believe SB 828 should require some ongoing oversight of the employer-provided private plans related to periodic audits; reporting requirements; penalties for non-compliance; financial disclosures and assurances; restrictions on use of excess funds; and fees to reimburse state administrative costs. These elements are largely focused on ensuring that employers continue to meet the initial requirements for establishing a new plan and on upholding the fiduciary responsibilities involved in providing benefits and managing premiums collected from workers. Establishing reporting requirements and the use of collected data matter greatly for purposes of assessing the impact of private plans on worker access to benefits relative to the state program.

We also believe Maryland should strive to do better with its employee-employer contribution rates than is currently prescribed in law. We support a 50-50 split.

Finally, we look forward to working with the administration at the Maryland Department of Labor to ensure an implementation timeline that is realistic and allows the Department to administer this program in-house.

For these reasons, we urge the committee to provide a favorable with amendments report on SB 828.

Additional Information on Aflac's Interest in Leave Administration
Yvonne Bramble, Care and Leave Policy Advocate
Feb. 22, 2023

This brief providing additional background on Aflac's interest in leave administration was prepared for AFSCME Council 3. It includes information about the company's leave management line of business and the life insurance industry's advocacy for privately run paid leave, and summarizes information about its role in Connecticut's paid leave program.

Aflac's Leave Management Business

In 2020, Aflac acquired an absence management platform as part of its purchase of Zurich North America's group life and pension business and related assets.[i] That platform now forms part of the company's life and absence management insurance line of business that sells group benefits and enrollment and administration services to employers. Aflac describes its absence management offering as an "end-to-end solution to help make it easier to manage your employees' absences related to" a variety of forms of company and legally required leave, including state mandated paid family leave.[ii]

Like much of the life insurance industry, Aflac sees government paid leave mandates as creating a business opportunity so long as leave laws leave the door open for private administration. In its 2022 annual briefing for financial analysts, the company identified new state and federal mandates on paid leave as an important trend that will shape its business in the future.[iii] While life insurance companies are generally interested in managing employers' leave programs and compliance with leave laws, Aflac is the only life insurer, so far, to have gained a foothold in the administration of the government-run side of state leave laws. In its 2021 financial analysts briefing, the company boasted that it was "selected as the claims administrator for [sic] State of Connecticut's paid leave program due to our premier absence management technology — and we will continue to explore these opportunities in the market."[iv]

The Life Insurance Industry's Advocacy for Paid Leave

The life insurance industry's lobbying arm, the American Council of Life Insurers (ACLI), actively promotes the adoption of paid leave laws so long as they include a significant role for private paid leave plans (a so-called private option) and therefore for insurers. ACLI describes this approach to designing paid leave laws as a public-private partnership. It has lobbied state legislatures (including in Delaware last year) and Congress to advance life insurers' interests in privately run paid leave and in 2021, commissioned a survey to demonstrate public support for "[c]reating a paid leave program via a partnership between the government and private plans," "[m]odifying and expanding the unpaid leave available through employers today to also include paid leave" and "[p]roviding tax credits and incentives to employers and small businesses who offer paid leave benefits to their employees."[v]

Last month, ACLI published a white paper that criticizes government-run programs and highlights "states, like Maryland, Delaware and Virginia, [that] have recently passed legislation that recognized the importance of the existing private market system in any paid leave policy initiatives."[vi] The white paper also touts Aflac's role in administering Connecticut's paid leave program as "allowing the state to avoid the expense of building, staffing, and maintaining a new claims and customer service system" and having "enabled a smoother benefits roll-out than in other states that built a completely new infrastructure since claims were managed by a vendor with years of experience making timely benefit payments."

Additional Information on Connecticut Paid Leave Privatization

- ***The Decision to Contract Out Program Administration.*** In 2021, the Connecticut Paid Leave Authority (PLA) announced a $72 million, three-year contract for Aflac to handle claims processing and benefit payments for the state's family and medical leave program. Claiming that no state agency was currently handling claims administration work and that the January 2022 deadline to begin benefit payments was too short, the PLA justified giving these funds and the 150 permanent jobs they would create to the private sector instead of investing them in a new department staffed by the unionized state workers.[vii]

- ***Problems Beginning at Launch.*** From April through November 2021, the PLA and Aflac developed claims policies and procedures and built out their claims administration IT infrastructure.[viii] But soon after Aflac began processing claims applications on Dec. 1, 2021, the insurer was flooded with incomplete applications and applications from individuals suffering from COVID-19, many of whom were not ultimately eligible to receive benefits, thereby delaying benefits processing and payments to approved applicants through June 2022.[ix]

    - PLA head Andrea Barton Reeves admitted that Aflac was staffed to handle only the estimated 5,000 monthly claims and not the 10,000 they saw in February alone. She also admitted that the authority had not done a good job properly informing the public about the complex eligibility and application requirements to receive benefits under the new paid leave program.[x]

    - With this underwhelming public education campaign and widespread problems during the program's first six months, projected payouts for the full 2023 fiscal year are expected to fall nearly $20 million short of actuarial estimations of demand.[xi] In line with the limited reach of the program, Aflac denied nearly 40% of processed claims in the program's first six months (through May 31, 2022), which was far more than the roughly 23% denial rate of neighboring Massachusetts' first six months of their state-run paid family and medical leave program.[xii]

    - Excluding COVID-19 related claim denials from Connecticut's rate, the PLA reported a 26% denial rate for the year compared to a 20% denial rate for Massachusetts' first full year (FY 2022), including the same period of the winter omicron surge.[xiii] Despite anecdotal news reports of errors in application processing, the PLA blamed this relatively higher denial rate on client errors and lack of public understanding.[xiv] But these problems again fall at the feet of the PLA's public education campaign and the knock-on effects of widespread dysfunction on residents looking to apply but who don't understand what is required or who decide it is too complicated to bother.

- ***$375,000 in Penalties for Aflac's Underperformance.*** This month, the PLA announced that Aflac did not meet four of 18 performance standards included in the company's service agreement and was being penalized $375,000 for its performance failures.[xv] Three of the failures were for timeliness. One failure was for the inaccuracy of benefit calculations.

- ***Impact of Aflac's Underperformance.*** Aflac's rollout led to untold hardship in the lives of residents across the state who needed benefits when the program was overwhelmed or who have been left uneducated about the benefits available to them or dissuaded from applying due to the company's lackluster implementation. The root of these problems lay in the state's choice to contract out essential Department of Labor functions to a private, profit-oriented company like Aflac. They, like the monopolies in the rail sector, chose a narrow definition of efficiency closely tied to actuarial estimations of projected demand over other, equally important considerations, such as program reliability and resilience in the face of uncertainty. We now live in a world of unexpected disasters and viral surges. States are better able to implement a resilience-based model for program integrity using unionized state workers than are for-profit companies like Aflac.

Key Points

- ***Heads, life insurance companies win. Tails, the public loses.*** Life insurance companies are pushing a two-pronged strategy, so they get two bites at paid leave benefits. They want employers to be able to opt out, so insurance companies can make money administering their private programs. Plus, they want to privatize the administration of the state-run paid leave programs. Aflac is the poster child for this approach, with a whole line of business dedicated to doing both things.

- ***It's straight up privatization.*** Life insurance companies lobbying for private administration of paid leave programs is just more privatization of public programs, similarly to how corporations tried to privatize more and more of Unemployment Insurance, Medicaid, SNAP, etc.

- ***Privatizers over promise and underdeliver.*** In Connecticut, the state said it chose Aflac because it could set up and run the paid leave program faster and better than state employees. In reality, it has fallen far short, failing to meet major performance standards and harming workers attempting to get paid leave. States are more than capable of developing the expertise and systems in-house to facilitate the claims processing of their paid family and medical leave programs, just as they can and must do with every other social welfare program mandated by law and funded by public dollars.

[i] "Aflac subsidiaries acquire Zurich North America's group benefits business," S&P Global Market Intelligence, Nov. 2, 2020, https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/aflac-subsidiaries-acquire-zurich-north-america-s-group-benefits-business-61062585.
[ii] Aflac, Life and Absence Management Insurance, https://www.aflacgroupinsurance.com/products/life-and-absence-management-insurance.aspx, accessed Jan. 23, 2023.
[iii] Aflac Incorporated, "2022 Financial Analysts Briefing," Nov. 15, 2022, p. 23, https://s24.q4cdn.com/367535798/files/doc_financials/2022/sr/Aflac-Incorporated-FAB-Book-2022-12-19-22.pdf.
[iv] Aflac Incorporated, 2021 Financial Analysts Briefing, p. 10, https://s24.q4cdn.com/367535798/files/doc_financials/2021/sr/2021-Aflac-Incorporated-Financial-Analysts-Briefing-Book.pdf.
[v] Paid Family and Medical Leave: The Foundation for Nationwide Access Is There, Public Opinion Strategies, Paid Leave National Survey—Executive Summary Key Findings (Sept. 20. 2021), https://www.acli.com/-/media/acli/public/files/pfml/acli_natlpaidleavesurveyexecsumpub.pdf.
[vi] ACLI, *Paid Family and Medical Leave: The Foundation for Nationwide Access Is There* (January 2023), https://paidleave.life/wp-content/uploads/2023/01/ACLI_PFML_WhitePaper_Base_012623.pdf.
[vii] Christine Stuart, "Labor raises questions about paid leave," *CT News Junkie*, Aug. 11, 2021, https://ctnewsjunkie.com/2021/08/11/labor-raises-questions-about-paid-leave/
[viii] "Connecticut Paid Leave Annual Report 2022," *Connecticut Paid Leave Authority*, https://ctpaidleave.my.salesforce.com/sfc/p/#t00000004XRe/a/t00000013z4d/Hc5CTT9A2TdbqE02YgaCLQ6KpPjhx7m18MkgbWu7nYQ
[ix] Matthew Campbell and Evan Sobol, "I-Team Investigation: Workers have issues with new CT Paid Leave Program," *WFSB*, May 12, 2022, https://www.wfsb.com/2022/05/12/i-team-investigation-workers-have-issues-with-new-ct-paid-leave-program/
[x] Ken Dixon, "COVID caused cascade of rejected applications for paid medical leave in CT," *CT Insider*, May 27, 2022, https://www.ctinsider.com/news/article/COVID-caused-cascade-of-rejected-applications-for-17202176.php
[xi] Alexander Soule, "One year into paid family leave, CT residents not using programs as much as expected," *CT Insider*, December 14, 2022, https://www.ctinsider.com/business/article/Are-CT-workers-leaving-money-on-the-table-for-17650815.php
[xii] "Connecticut Paid Leave Annual Report 2022;" "FY2022 Annual Report for the Massachusetts Paid Family and Medical Leave program," *Department of Family and Medical Leave*, https://www.mass.gov/doc/fy2022-dfml-annual-report/download; Alexander Soule, "Rate of paid family leave denials in CT exceeded Massachusetts, Rhode Island," *CT Insider*, Dec. 15, 2022, https://www.ctinsider.com/business/article/CT-Aflac-paid-leave-MA-RI-17653348.php.
[xiii] Reported in Soule, "Rate of paid family leave denials in CT exceeded Massachusetts, Rhode Island."
[xiv] Ibid.
[xv] Bria Lloyd and Jim Haddadin, "CT Paid Leave Authority to Withhold $375,000 From Claims Company for Missing Performance Goals," Connecticut Public Radio (Feb. 10, 2023), https://www.ctpublic.org/news/investigative/2023-02-10/ct-paid-leave-authority-to-withhold-375-000-from-claims-company-for-missing-performance-goals.

SB 828 Family and Medical Leave Insurance Program

Uploaded by: Denise Riley

Position: FWA

A Union of Professionals
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Kenya Campbell
PRESIDENT

LaBrina Hopkins
SECRETARY-TREASURER

Written testimony submitted to the Maryland Senate Finance Committee
SB 828 - Family and Medical Leave Insurance Program – Modifications
March 2, 2023

SUPPORT

Chair Griffith and members of the committee, on behalf of the 20,000 members of the American Federation of Teachers – Maryland (AFT-MD), we ask for a favorable report on SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying the program implementation, administration, and the cost-sharing split. AFT-MC strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House bill.

The Time to Care Act passed in 2022 was just the first step in realizing Paid Family and Medical Leave in Maryland. The work to create and implement an accessible and equitable FAMLI program is next. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

SB 828 - with sponsor amendments - sets the rate for the program with a cost-sharing split of 50% employees, 50% employers. This is important, as it keeps the program affordable and equitable for both employers and employees. A 50/50 split is in line with most other states - including our neighbor Delaware - that have recently passed FAMLI programs.

Maryland passed a comprehensive FAMLI program, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers. For these reasons we once again ask for a favorable report on SB 828. Thank you.

SB828 - Support - FIN - Time to Care Act March2.p

Uploaded by: Henry Bogdan

Position: FWA

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marylandnonprofits.org

March 2, 2023

Testimony on Senate Bill 828
Maryland Medical Assistance Program – Collaborative Care Model Service - Implementation and Reimbursement Expansion

Position: Favorable

Maryland Nonprofits is a statewide association of more than 1500 nonprofit organizations and institutions. We urge you to support Senate Bill 828. Passing this legislation with the sponsor amendments will set important parameters for the FAMLI program and help it move forward with implementation.

The sponsor amendments set the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This will help to keep the program affordable and equitable for both employers and employees in Maryland. Most other states that have recently passed similar programs, including Delaware, have used a 50-50 cost sharing split. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

We urge you to give Senate Bill 828 a favorable report with the sponsor's amendments.

SB828 JOTF FWA - FAMLI Program Modifications.pdf
Uploaded by: Ioana Stoica
Position: FWA

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

<u>TESTIMONY IN SUPPORT OF SENATE BILL 828:</u>
Family and Medical Leave Insurance Program - Modifications

TO: Chair Melony Griffith and Members of the Senate Finance Committee
FROM: Ioana Stoica, Policy Advocate
DATE: March 1, 2023

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that advocates for better jobs, skills training, and wages for low-income workers and job seekers in Maryland. JOTF strongly supports Senate Bill 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. **JOTF strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. **Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.**

The Pew Research Center performed a study on paid family and medical leave based on two nationally representative online surveys conducted in 2016. The study found that 27% of adults employed in the previous two years reported taking parental, family, or medical leave during that period, while 16% said they needed or wanted to take these types of leave during that period but were unable to do so. The Pew Research Center reports blacks and Hispanics, those without a bachelor's degree, and those with annual household incomes of less than $30,000 are more likely than whites and those with more education or higher incomes to say they were not able to take leave when they needed or wanted to. According to the 2016 survey, employees that received only some pay or no pay when they took family or medical leave did the following: 78% reduced spending; 41% shortened their leave duration; 37% took on debt; 33% delayed paying their bills; and 17% went on public assistance.

Paid Family Leave programs help keep families above the poverty level. Too often, the pay gap that occurs when a new mother must take unpaid leave after giving birth, combined with the increasing expenses of child care, sets families back for years to come. One study found that a significant share of bankruptcies follow a worker missing two or more weeks of work due to illness, or the illness of a family member. The benefits of paid family and medical leave are largest for those with limited education and lower incomes, as these workers currently have the lowest levels of access to any form of leave, paid or unpaid. It is fundamentally unjust to expect these workers to shoulder a disproportionate burden of the cost of such programs.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

We urge a favorable report of Senate Bill 828 with sponsor amendments, as it would ensure that millions of hard-working Marylanders, in particular low-income workers who are least able to lose even a single paycheck, are able to take necessary time off for family and medical life events without the risk of falling into poverty. This bill brings us one step closer to a more prosperous and vibrant economy in Maryland, where all workers have the necessary workplace supports to thrive and successfully balance work and life. **The Job Opportunities Task Force appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.**

For more information, contact:
Ioana Stoica / Policy Advocate / ioana@jotf.org / 240-643-0059

[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

SB 828.Family Leave Act Modifications.pdf
Uploaded by: John Woolums
Position: FWA

MABE
MARYLAND ASSOCIATION OF BOARDS OF EDUCATION

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BILL:	**Senate Bill 828**
TITLE:	**Family and Medical Leave Insurance Program - Modifications**
DATE:	**March 2, 2023**
POSITION:	**SUPPORT WITH AMENDMENTS**
COMMITTEE:	**Finance**
CONTACT:	**John R. Woolums, Esq.**

The Maryland Association of Boards of Education (MABE) supports the intent of Senate Bill 828 to improve the administration of the launch of the new Family and Medical Leave Insurance (FAMLI) Program and Fund. MABE is requesting two additional amendments to further extend the funding timeline and to guarantee that clear standards are in place to facilitate local plan alignment with the state program.

The Time to Care Act of 2022 establishes the Family and Medical Leave Insurance (FAMLI) Program and Fund to provide up to 12 weeks of benefits to a covered individual taking leave from employment due to personal and family circumstances. The FAMLI Fund consists of contributions from employees and employers, including Maryland's 24 local school systems and municipal and county governments. The law requires that by June 1, 2023, the Secretary of Labor must adopt regulations to implement the program, and must set the total rate of contribution and percentage of the total contribution rate to be paid by employers and employees that will be in effect from October 1, 2023, through December 31, 2025. Then beginning October 1, 2023, employers and employees are to begin making payroll contributions to the Department of Labor to generate the FAMLI fund and to support benefits payments in 2025.

MABE appreciates that Senate Bill 828 proposes to require much needed clarification of the contribution rate and extend the payroll contribution start date. Senate Bill 828 would 1. Clearly require the Secretary of Labor to set the employer and employee contribution rates by Sept. 1, 2023; and 2. Extend the start date for the mandated funding and payroll contributions to the FAMLI Fund by local school systems and school system employees from October 1, 2023 to Jan. 1, 2024. MABE firmly believes that January 1, 2024 is too soon and occurs in the middle of the fiscal year, thereby presenting funding obligations for school systems and other local government entities in the middle of the fiscal year commencing only a few months away on July 1, 2023. For this reason, MABE requests an amendment to extend the start date for local government and employee payroll contributions until July 1, 2024.

Importantly, these months will not only allow for budget planning for contributions to the state plan but also allow for the complex work of adapting existing school system employee benefits plans to secure the Department of Labor's approval of an exemption. This is why MABE is requesting an amendment to ensure date-certain clarification of the exemption criteria and application review and approval process. As the committee knows, the Time to Care Act appropriately provides an exemption for employers who satisfy the requirements of law through their employer plan. Although the law stipulates that an employer plan must be filed with the Department of Labor for approval, no further specific guidance is provided for in statute.

Specifically, MABE requests the committee's support for amendments to reasonably require the Department of Labor to promulgate clear regulatory guidance by no later than January 1, 2024 on the criteria for developing local employee benefits programs that meet the standards for qualifying exemptions. Local school systems and other local governments should be able to rely on formally adopted standards as they work to modify their benefits and pursue a qualifying exemption. In addition, school systems and local governments will utilize this time to develop annual budgets that are fully informed by the established program.

Again, MABE believes that only following this critically important process of establishing the regulatory framework for local plan compliance should school system and school employee contributions be required. Therefore, MABE reiterates the request for the committee's support for an amendment to further extend the start date for payroll contributions from January 1, 2024 to July 1, 2024 in order to align the new funding obligation with the beginning of the fiscal year.

Maryland's local school systems are not granted taxing authority as are most school systems throughout the nation. Instead, each of the 24 local boards is fiscally dependent on the annual appropriations of state and county government funding. In this light, MABE consistently urges the legislature's serious consideration of the fiscal impacts of any new program or funding mandate on local school system budgets. The Time to Care Act's impacts on school systems and our employees therefore not only presents a challenge to school system budgets but also to the local government budgets that will be called on to meet the needs of their respective school systems.

Another important consideration for local school systems is the imperative for adequate numbers of highly qualified professional educators and other school-based staff during the school year. Local governments and school systems are, at present, engaged in negotiating and finalizing budgets to support the Blueprint for Maryland's Future, including the law's requirements for major reforms and increases in employee compensation and working conditions. At the same time, Maryland is coping with a severe teacher shortage. Given these circumstances, while the new employee leave benefits program established by the Time to Care Act requires thoughtful implementation by all employers, it presents unique challenges for local school systems at this time. Again, MABE requests the adoption of amendments benefitting all local government entities, while drawing special attention to the concerns and perspectives of school systems.

For these reasons, MABE requests a favorable report on Senate Bill 828 with the amendments requested to help ensure that Maryland's local governments and local school systems have clear guidance and sufficient time to adapt their employee benefits programs and make critical budget decisions.

SB 828 pdf2.pdf

Uploaded by: Kirk McCauley

Position: FWA

WMDA/CAR Service Station
and Automotive Repair Association

February 16, 2023

Chair: Melony Griffith
Members of Senate Finance Committee

RE: SB 828 Family and Medical Leave insurance Program - Modifications
Position: Favorable with Amendments

SB 828 is an opportunity to address a major concern for businesses when HB8/SB275 passed last year.

The possibility of taking 24 paid weeks off, this is a business killer especially for service orientated businesses, like automotive repair facilities, and any of the trades that depend on technicians , electrical, plumbing, HVAC and other trades.

This also severely affects small businesses who do not have backups for replacement. Very costly for all concerned. This could be corrected by cutting the maximum paid leave to 12 weeks which can be used for both Family and Sick leave.

Thank you

WMDA/CAR is a trade association that has represented service stations, convenience stores and independent repair shops since 1937. Any questions can be addressed to Kirk McCauley, 301-775-0221 or kmccauley@wmda.net

SB 828 FAMLI Act testimony FINAL.pdf

Uploaded by: Laura Howell
Position: FWA

MARYLAND DEVELOPMENTAL DISABILITIES COALITION

Dedicated to the rights and quality of life for people with developmental disabilities in Maryland

The Arc Maryland
8601 Robert Fulton Dr
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Columbia, MD 21046

Disability Rights Maryland
1500 Union Avenue
Suite 2000
Baltimore, MD
21211

MACS Maryland Association of Community Services
8835 Columbia 100 Pky
Suite P
Columbia, MD
21044

Maryland Developmental Disabilities Council
217 E Redwood Street
Suite 1300
Baltimore, MD 21202

People On The Go Maryland
7000 Tudsbury Road
Windsor Mill, MD
21244

SB 828-Family and Medical Leave Insurance Program – Modifications
Senate Finance Committee
March 2, 2023
Position: Support with Amendment

The Maryland Developmental Disabilities Coalition (DD Coalition) is comprised of five statewide organizations that are committed to improving the opportunities and outcomes for Marylanders with intellectual and developmental disabilities (IDD). As such we are pleased to support this bill, with two amendments, which will help people with intellectual and developmental disabilities hire and retain staff who will support them as they build their lives in the community.

We support SB 828, the Family and Medical Leave Insurance (FAMLI) Program, which makes alterations to the law that passed last year and allows for successful implementation of the FAMLI program. We are appreciative that the bill sponsor codifed the intent expressed in last year's bill for the State to pay for the employer portion of the cost of the program for developmental disability service providers and others.

We support this provision and offer an amendment so that the DD providers' employer portion can be paid by the State while also drawing down federal matching funds. In our proposed amendment, *which is attached to this testimony*, community providers would pay the employer portion into the fund upfront, and require DDA to reimburse providers for this expense on a quarterly basis. This approach will achieve the goal of maximizing funds related to this purpose, while also covering the additional costs for Medicaid-funded DDA community providers.

The second amendment addresses the additional strain that SB 828 would place on the workforce of developmental disability community providers, by setting a standard that employees could access leave when unable to perform one or more job functions. Community providers will work with employees whenever possible to provide accommodations while also balancing the need for an adequate direct support workforce.

We appreciate your support for employers who provide services to Marylanders with developmental disabilities, and we support the FAMLI program, with the attached amendments.

For more information contact Laura Howell, Executive Director, Maryland Association of Community Services (MACS) at lhowell@macsonline.org or (443) 848-1384 (m).

AMENDMENT #1

SB 828 – Family and Medical Leave Insurance Program – Modifications

On page 13, strike lines 23 through 30, and insert:

THE MARYLAND DEPARTMENT OF HEALTH SHALL REIMBURSE COMMUNITY PROVIDERS THAT PROVIDE SERVICES LICENSED OR CERTIFIED BY THE DEVELOPMENTAL DISABILITIES ADMINISTRATION AND BEHAVIORAL HEALTH ADMINISTRATION FOR THE EMPLOYER CONTRIBUTION REQUIRED UNDER 8.3-601 (F) OF THIS ARTICLE.

REIMBURSEMENT SHALL BE MADE FOR ALL EMPLOYER CONTRIBUTIONS RELATED TO THE PROVISION AND MANAGEMENT OF SERVICES LICENSED OR CERTIFIED BY THE MARYLAND DEVELOPMENTAL DISABILITIES ADMINISTRATION.

REIMBURSEMENT SHALL BE MADE AT LEAST QUARTERLY.

Explanation: This amendment will allow the State to draw down federal matching funds to offset the cost of covering the employer portion of the program for DDA licensed or certified community providers.

AMENDMENT #2

On page 7, starting on line 31, strike "ONE OR MORE".

On page 8, on line 6, strike "ONE OR MORE".

Explanation: Developmental disability community providers are facing a historic workforce shortage. The bill, as introduced, would allow employees to take part in the leave program when unable to perform only one job function. Community providers will typically work with employees to provide accommodations, wherever possible, in order to meet the employee's needs while also ensuring an adequate direct support workforce. Amendment #2 returns the standard to that initially passed by the General Assembly in 2022.

SB828_LindaBergofsky_FAV.pdf
Uploaded by: Linda Bergofsky
Position: FWA

SB828_LindaBergofsky_FAV
March 2, 2023

Linda R. Bergofsky
Poolesville, MD

TESTIMONY ON SB828 - POSITION: FAVORABLE WITH SPONSOR AMENDMENTS
Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Finance Committee

FROM: Linda R. Bergofsky

My name is Linda Bergofsky. I am a resident of District 15. I am submitting this testimony in support with amendments for SB828, Family and Medical Leave Insurance Program - Modifications.

I live in Poolesville, where I work part time as a substitute teacher. I'm also a member of Oseh Shalom in Laurel, MD. Last session, I was one of thousands of Marylanders who advocated for the passage of the Time to Care Act. Our synagogue also signed on as an employer supporter. It was a great win for Maryland's low wage workers. But, as you well know, the devil is in the details when it comes to implementation. Without this strengthening legislation, the program could be implemented inequitably, risking unfair contribution rates and potentially harming employees earning less than $15 per hour.

Our oldest grandson is a senior at UMBC and works three jobs in addition to attending school. Those three jobs are the equivalent of a full-time job but none offer paid time off. Recently, he had back surgery and was not able to work for a month as he recovered. Paid Family and Medical Leave was designed for my grandson—theoretically. I would hate to see him left behind because of fixable legislative language.

The modifications in this bill will address inequities in the program, including removing the requirement for workers to exhaust all of their employer-provided leave before using the FAMLI Program, which will benefit not only employees, but also their employers; codifying a contribution rate that is fair for workers; covering the costs for Medicaid providers and employees earning less than $15 per hour; strengthening reporting requirements; and preventing any efforts to weaken the program. We are pushing for this clarifying legislation to ensure that the program is implemented in the strongest form possible so that all workers have equitable access to the program.

I respectfully urge this committee to return a favorable with sponsor amendments report on SB828.

SB 828-CBH-FWA.pdf
Uploaded by: Lori Doyle
Position: FWA

Testimony on SB 828
Family and Medical Leave Insurance Program – Modifications
Senate Finance Committee
March 2, 2023
POSITION: SUPPORT WITH AMENDMENTS

The Community Behavioral Health Association of Maryland (CBH) is the leading voice for community-based providers serving the mental health and addiction needs of vulnerable Marylanders. Our 110 members serve the majority of those accessing care through the public behavioral health system. CBH members provide outpatient and residential treatment for mental health and addiction-related disorders, day programs, case management, Assertive Community Treatment (ACT), employment supports, and crisis intervention.

CBH appreciates the General Assembly's recognition of the fact that behavioral health and developmental disabilities providers are subject to Medicaid rates that leave little flexibility to absorb unfunded mandates, and so included language requiring the state to pay the employer contribution of this fund for community-based behavioral health and developmental disabilities organizations. That will help offset the costs of complying with this new program. We have proposed amendment language below to clarify that intent as follows:

AMENDMENT NUMBER 1:

On page 13, strike lines 23 through 30, and insert:

THE MARYLAND DEPARTMENT OF HEALTH SHALL REIMBURSE COMMUNITY PROVIDERS THAT PROVIDE SERVICES LICENSED OR CERTIFIED BY THE DEVELOPMENTAL DISABILITIES ADMINISTRATION OR THE BEHAVIORAL HEALTH ADMINISTRATION FOR THE EMPLOYER CONTRIBUTION REQUIRED UNDER 8.3-601 (F) OF THIS ARTICLE.

REIMBURSEMENT SHALL BE MADE FOR ALL EMPLOYER CONTRIBUTIONS RELATED TO THE PROVISION AND MANAGEMENT OF SERVICES LICENSED OR CERTIFIED BY THE MARYLAND DEVELOPMENTAL DISABILITIES OR THE BEHAVIORAL HEALTH ADMINISTRATION.

REIMBURSEMENT SHALL BE MADE AT LEAST QUARTERLY.

However – even with this language - it should be noted that the major cost associated with this new requirement is that associated with hiring temps to fill vacancies or the associated loss of reimbursable services due to staff vacancies. Providers were facing a workforce crisis prior to the pandemic. It was greatly exacerbated over the past two years, resulting in significant wait times for clinic appointments and the inability to fill vacant beds in our residential programs due to inadequate staffing. We are required to comply with staffing ratios mandated in regulation.

We are therefore alarmed by the proposed change in language that disallows providers from requiring employees to first exhaust employer-provided vacation and sick leave before using Family and Medical Insurance Leave. This could result in employees taking 3-6 months off for qualifying conditions and then additional time off for vacations and other reasons not covered by this legislation. We believe this penalizes those organizations that already provide generous leave benefits and may cause them to reduce their employer-provided leave.

CBH respectfully urges the committee to amend the bill so that it conforms with the original language, as follows:

AMENDMENT #2:

On page 16, line 19, restore the bracketed language beginning with "shall" and ending on line 20 with "title".

On page 16, strike the language beginning with MAY" in line 20 through "TITLE" in line 23.

This amendment would restore balance to the needs of employees, employers, and the vulnerable populations served by community behavioral health organizations.

Thank you for your consideration.

For more information contact Lori Doyle, Public Policy Director, at (410) 456-1127 or lori@mdcbh.org.

SB0828_FWA_MDAAP_Family and Medical Leave Insuranc

Uploaded by: Maryland Chapter American Academy of Pediatrics

Position: FWA

Maryland Chapter
INCORPORATED IN MARYLAND
American Academy of Pediatrics
DEDICATED TO THE HEALTH OF ALL CHILDREN
Speaking for Maryland Kids!

TO: The Honorable Melony Griffith, Chair
Members, Senate Finance Committee
The Honorable Antonio Hayes

FROM: Loretta I. Hoepfner, MSOD, Executive Director

DATE: March 2, 2023

RE: **SUPPORT WITH AMENDMENT** – Senate Bill 828 – *Family and Medical Leave Insurance Program – Modifications*

The Maryland Chapter of the American Academy of Pediatrics (MDAAP) is a statewide association representing more than 1,100 pediatricians and allied pediatric and adolescent healthcare practitioners in the State and is a strong and established advocate promoting the health and safety of all the children we serve. On behalf of MDAAP, we submit this letter of **support with amendment** for Senate Bill 828.

MDAAP supports Senate Bill 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. The sponsor amendments make the cost-sharing split 50-50 between employers and employees, putting Senate Bill 828 in the same posture as the House Bill.

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders – and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing Senate Bill 828 with the sponsor amendments will set the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is important to ensure our program addresses the needs of both employees and employers, continuing to set the bar as a national model.

The American Academy of Pediatrics has been at the forefront for advocating for FAMLI programs at the national and state level. Paid maternity and parental leave has multiple proven health benefits for both parents and infants, including improved financial status, improved maternal mental health, decreased intimate partner violence, decreased infant mortality, increased infant vaccination compliance, decreased risk of rehospitalization for both mothers and infants, improved parental-infant attachment, and increased initiation and duration of breastfeeding[1]. FAMLI programs provide an equitable opportunity to support working parents which will ultimately lead to reductions in health care costs, increased employee retention, and pay equity.

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[1] Kelsey A. Miller, Lois K. Lee; Advocating for Physician Paid Parental Leave. *Pediatrics* July 2022; 150 (1): e2022056338. 10.1542/peds.2022-056338

SB 828 - My testimony.pdf
Uploaded by: Melinda Lipscomb
Position: FWA

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted by: Melinda Lipscomb

Melinda Lipscomb strongly supports SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. **Melinda Lipscomb strongly supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

Melinda Lipscomb would love to give testimony in person as a Complex-Chronic Illness Patient Leader and Advocate personally affected by the need for this program, but being bed-tethered disabled, is unable to do so. Melinda relies on her family to care for her as after years of medical neglect and stigma Melinda only has her family help, not qualifying for current programs. This means when Melinda needs to go to a doctor appointment or needs full-time care a family member must take off work and lose pay for that time. As one can imagine, the financial strain Melinda Lipscomb and her family already experience is exacerbated greatly by losing pay while caring for her. Melinda Lipscomb knows her family is not alone. Passing SB 828 with the sponsor amendments will help all Marylanders.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs.[1] Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

Melinda Lipscomb appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.

[1] A Better Balance. 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/

WDC 2023 Testimony SB828_Final (1).pdf
Uploaded by: Melissa Bender
Position: FWA

MONTGOMERY COUNTY, MARYLAND
WOMEN'S DEMOCRATIC CLUB

P.O. Box 34047, Bethesda, MD 20827 www.womensdemocraticclub.org

Senate Bill 828 –Family and Medical Leave Insurance Program - Modifications
Finance Committee – March 2, 2023
SUPPORT WITH AMENDMENTS

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC**)** for the 2023 legislative session. WDC is one of Maryland's largest and most active Democratic clubs with hundreds of politically active members, including many elected officials.

WDC urges the passage of SB 828, an update to the Family and Medical Leave Insurance Program, which passed into law in the 2022 legislative session. We are grateful to the Finance Committee and to the Maryland Senate for recognizing the importance of a robust family and medical leave insurance system last session. This bill strengthens the program and prepares for thoughtful implementation by the MD Dept. of Labor, most notably committing to an equitable division between employer and employee contributions to the program, with sponsor amendments proposing a 50-50 split. This bill also thoughtfully responds to some opposition from local government partners who are seeking additional time for planning and implementation, adding one extra year before coverage requirements kick in beginning in 2026.

The best paid leave program is one that treats workers and their employers equitably, as outlined in the proposed sponsor amendments. A 50-50 cost-sharing split is a fundamentally important aspect of the legislation, as it keeps the program affordable and fair for both employers and employees in Maryland. We believe that the costs of the program should be equally shared because the benefits of the program are equally received. As participating workers are able to take care of themselves or family members in a sustainable way, so are participating employers reaping the benefits of higher employee retention, productivity, profitability, and morale, according to the National Partnership for Women and Families' research on other states' recent experience.

Equitable cost sharing also recognizes the racial impact of a paid leave program, and the need to support workers of color who disproportionately lack access. Black and Latino workers are far more likely to forgo needed time off when they lack paid leave and take on more debt if they do take leave, according to a recent study from the Pew Research Center. Lawmakers should use a racial equity lens to construct our new system, acknowledging persistent racial disparities in access and avoiding replicating those same burdens in the cost-share structure.

Our members have personally been impacted by lack of access to paid leave to care for new children, for aging or ill relatives, and for our own medical needs. We ask for your support for SB 828 and strongly urge a favorable Committee report with the sponsor amendments.

Diana Conway WDC President	Melissa Bender WDC Advocacy Committee

HPRP_favorable w amendments_SB 828.pdf
Uploaded by: Michelle Madaio
Position: FWA

HOMELESS PERSONS REPRESENTATION PROJECT, INC.

201 North Charles Street, Suite 1104 Baltimore, MD 21201 (Headquarters)
P.O. Box 1787, Rockville, Maryland 20849 (Satellite Office)
(410) 685-6589 www.hprplaw.org

Support – SB 828

Family and Medical Leave Insurance Program – Modifications
Senate Finance Committee
March 2, 2023
Michelle S. Madaio, Homeless Persons Representation Project

The Homeless Persons Representation Project, Inc. (HPRP) is a non-profit civil legal services organization that provides free legal representation to people who are experiencing homeless or at risk of homelessness on legal issues that will lead to an end to homelessness. HPRP supports SB 828, with sponsor amendments, which makes cost-sharing in Family and Medical Leave Insurance (FAMLI) Program split 50-50 between employers and employees.

SB 828, with sponsor amendments, establishes a cost-sharing contribution rate of 50% employees and 50% employers.

For employees to benefit from paid leave under FAMLI, employees will need to be able to afford the contribution rate. A 50-50 split is critical to ensure employees can afford the cost. Any higher percentage passed on to employees would make the program cost prohibitive for many employees. For example, HPRP works with families that receive Temporary Cash Assistance. When the families we serve exit the TCA program for paid employment, the jobs families can access are extremely low-paying jobs and families are still living in poverty. The median earnings for adults who were employed before receiving TCA was $11,288 and the median earnings for adults employed after receiving TCA was $12,369.[1] Even five years after exiting the TCA program, median earnings among adults were still only $18,880 annually.[2] Low-wage work is not specific to families that received TCA; three in five low-wage workers continue to remain in low-wage work over a 10-year period and research shows the longer an employee is in low-wage work, the more difficult upward mobility is to achieve.[3]

[1] Haley Smith, Lauren A. Hall, Letitia Logan Passarella, "Life After Welfare 2022 Annual Update," university of Maryland School of Social Work, https://www.ssw.umaryland.edu/media/ssw/fwrtg/welfare-research/life-after-welfare/Life-after-Welfare,-2022.pdf at 19.
[2] Id. at 20.
[3] Id. citing Escobari, M., Seyal, I., & Contreras, C. D. (2021). Moving up: promoting workers' economic mobility using network analysis. The Brookings Institution. https://www.brookings.edu/research/

Low wage workers in Maryland need as much of their earnings as possible to cover rising costs of housing, food, and other basic needs.

Families living in poverty and deep poverty[4] are still experiencing the extreme hardship and economic crisis exacerbated by the COVID-19 pandemic. The cost of food increased by almost 10% last year.[5] Maryland is the 9th most unaffordable state to live in[6] and only 1 in 4 low-income renters in need of federal renal assistance receive it.[7] With rising costs in food and housing, families are paying more of their income to cover those costs. Paid family and medical leave is critical to helping families living in poverty. The unavailability of paid leave has caused many of HPRP's clients to lose their jobs after a temporary leave of absence from work due to a medical emergency or a birth of a child. When the family loses their income and is unable to pay rent, then the family loses their housing. Had the jobs offered paid family and medical leave, the family could have avoided the loss of income and traumas of housing and food insecurity. The passing of the Time to Care Act of 2022 last legislative session was an incredible gain for Maryland. But in order for low income families to be able to benefit from paid leave, they need to be able to afford it. SB 828, with sponsor amendments, will ensure the coverage in the program is more affordable and accessible by families who need it most.

HPRP urges the Committee to issue a favorable report on SB 828, with sponsor amendments. If you have any questions, please contact Michelle Madaio (she/her), Director – Economic Justice at (410) 716-0521 or mmadaio@hprplaw.org.

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[4] The U.S. Census Bureau defines "deep poverty" as living in a household with a total cash income below 50 percent of its poverty threshold. The 2022 poverty threshold for a family of two was $18,310. *See* U.S. Department of Health and Human Services, Annual Update of the HHS Poverty Guidelines, Federal Register Vol. 87, No. 14, at 3316 (January 21, 2022), *available at* https://www.govinfo.gov/content/pkg/FR-2022-01-21/pdf/2022-01166.pdf

[5] USDA, Economic Research Service, "Summary Findings, Food Price Outlook, 2023," *available at* https://www.ers.usda.gov/data-products/food-price-outlook/summary-findings/ - :~:text=In%202022%2C%20food%20prices%20increased%20by%209.9%20percent.,Service%20%28ERS%29%20increased%20by%20more%20than%205%20percent.

[6] AURAND, ET. AL, *Out of Reach 2023*, NATIONAL LOW INCOME HOUSING COALITION (2023), https://nlihc.org/oor/state/md

[7] ERIK GARTLAND, *Chart Book: Funding Limitations Create Widespread Unmet Need for Rental Assistance*, CENTER ON BUDGET AND POLICY PRIORITIES (Feb 22, 2022), https://www.cbpp.org/research/housing/funding-limitations-create-widespread-unmet-need-for-rental-assistance

S. Mehta SB 828 Testimony.pdf
Uploaded by: Sapna Mehta
Position: FWA

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

Submitted By:
Sapna Mehta, Senior Policy Analyst
Center for Law and Social Policy
Washington, DC

The Center for Law and Social Policy (CLASP) strongly supports SB 828, which updates the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. **CLASP strongly supports the sponsor amendments, which make the cost-sharing split evenly (50-50) between employers and employees, putting SB 828 in the same posture as the related House FAMLI update Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing paid family and medical leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

CLASP is a national, nonpartisan, nonprofit advancing anti-poverty policy solutions that disrupt structural, systemic racism and remove barriers blocking people from economic justice and opportunity. With deep expertise in a wide range of programs and policy ideas, longstanding relationships with anti-poverty, child and family, higher education, workforce development, and economic justice stakeholders, and over 50 years of history, CLASP works to amplify the voices of directly-impacted workers and families and help public officials design and implement effective programs. CLASP also seeks to improve job quality for low-income workers. That includes increasing wages and providing access to paid sick days, paid family and medical leave, and stable work schedules. Quality jobs enable individuals to balance their work, school, and family responsibilities – promoting economic stability as well as career advancement.

SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50 percent employees, 50 percent employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees. A 50/50 cost-sharing split is in line with most other states - including in Maryland's neighboring state of Delaware - that have recently passed FAMLI programs. Other states with a cost-sharing split include Oregon and Colorado. In New York and New Jersey, employers and employees share the cost of temporary disability insurance (TDI), which can be used for a worker's own off the job serious illness or injury. Washington and Massachusetts also share the cost of medical leave, which provides leave for a worker's own serious health condition.[1]

If a lopsided cost-sharing split is implemented, with employees paying more than employers, low-paid, part-time and precarious workers could be harmed. The FAMLI program currently requires employees to have worked at least 680 hours in the preceding 12 months to qualify for leave. Some lower paid workers, in jobs with unstable schedules that may prohibit them from working enough hours in a calendar year to qualify the program could be harmed if they pay into the program at higher rates, yet aren't eligible to access paid leave.

Maryland should be proud that it passed a strong and comprehensive paid family and medical leave program. The sponsor amendment to create a 50/50 cost-sharing split is vital to ensuring the program centers the needs of both employers and employees, especially workers earning low wages.

CLASP also supports the inclusion of domestic partners in the definition of "family members" in SB 828. This aligns with virtually every other state program.[2] Research shows that family structures are evolving and families today take many forms, including multi-generation families, mutli-national families, blended step families and LGBTQ families and close loved ones who are not biologically or legally related. It's critical that the FAMLI program is reflective of these structures so all working Marylanders have the ability to take the time to care for their loved ones. Many states also include the following language in the family definition: "an individual related to the employee by blood or affinity whose close association the employee shows to be the equivalent of those family relationships."[3] This recognizes extended relatives or loved ones who are like family, but not biologically or legally related to the worker.

Paid leave programs in other states have demonstrable benefits to workers and families, public health, the economy and business, and the FAMLI program is poised to confer these benefits on Marylanders.

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[1] A Better Balance. January 2023. Comparative Chart of Paid Family and Medical Leave Laws in the US. https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/
[2] Ibid.
[3] Ibid.

Public Health benefits:

Paid leave is strongly linked with infant and maternal health. Researchers estimate that providing 12 weeks of paid leave, similar to the FAMLI program, would result in nearly 600 fewer infant deaths per year.[4] Similarly, paid leave reduces the odds of a new mother experiencing postpartum depressive symptoms.[5] New Jersey's paid leave program is also strongly associated with improvements in new mothers' physical health.[6]

State paid leave programs also increase economic security for new parents. Paid leave increases household incomes and reduces the likelihood that new mothers will experience poverty,[7] strengthening economic security for Maryland families. Parents are also significantly less likely to use the Supplemental Nutrition Assistance Program (SNAP) or other public support programs in the year after a child's birth.[8]

Marylanders who struggle with substance and opioid dependency need time to seek treatment, and paid leave programs allow individuals the paid time they need to improve their health and then return to the workforce as productive employees.[9] Access to comprehensive behavioral health treatment improves the public health and safety of all Marylanders.

Economic benefits:

Black and Latino workers are far more likely to forgo needed time off when they lack paid leave and take on more debt if they do take leave. Research finds that six out of 10 Black women either don't take leave or do so without pay, costing them $3.9 billion in lost wages each year. Black women's paid leave needs often go unmet, forcing them to make difficult choices between caring for a loved one or keeping their paycheck.[10] The FAMLI program will help advance racial equity and build economic security for workers of color.[11]

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[4] National Partnership for Women and Families. December 2018. The Child Development Case for a National Paid Family and Medical Leave Program. https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/the-child-development-case-for-a-national-paid-family-and-medical-leave-insurance-program.pdf

[5] Kornfeind, K. R., & Sipsma, H. L. 2018. Exploring the Link between Maternity Leave and Postpartum Depression. Women's Health Issues, 28(4), 321-326.

[6] Pal, I. 2016. Work, Family and Social Policy in the United States - Implications for Women's Wages and Wellbeing. Doctoral thesis, Columbia University. https://doi.org/10.7916/D87W6C74

[7] Stanczyk, A. 2019. Does Paid Family Leave Improve Household Economic Security Following a Birth? Evidence from California. Social Service Review, 93(2), 262-304. DOI: 10.1086/703138

[8] Houser, L., & Vartanian, T. P. January 2012. Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public. Center for Women and Work at Rutgers, The State University of New Jersey. https://www.nationalpartnership.org/our-work/resources/economic-justice/other/pay-matters.pdf

[9] National Partnership for Women and Families. 2017. Treatment for Drug Use and the Need for Paid Family and Medical Leave. https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/treatment-for-drug-use-and-the-need-for-paid-family-and-medical-leave.pdf

[10] https://www.americanprogress.org/article/black-women-need-access-to-paid-family-and-medical-leave/

[11] Maryland Center on Economic Policy. 2022. The Time to Care Act Is a Huge Win for Maryland Workers and Families. https://www.mdeconomy.org/the-time-to-care-act-is-a-huge-win-for-maryland-workers-and-families/

Studies show that paid leave programs have a substantial impact on increasing women's labor force participation.[12] Despite recent gains in women's labor force participation, rates haven't returned to pre-pandemic levels. Over 600,000 women are still missing from the labor force.[13] Paid leave can help reverse the economic fallout of women leaving the labor force due to caregiving needs.

Benefits to Business:
Employee turnover is estimated to cost businesses 20 percent of an employee's annual salary. When workers don't have access to paid leave, they are more likely to need to leave their jobs for medical or caregiving reasons. Paid leave reduces turnover costs and improves employee retention.[14] Paid leave programs also increase worker productivity. In California, nearly 90 percent of businesses surveyed about the effects of the paid leave program said that the program had either a positive effect on productivity or no noticeable effect.[15] Reduced employee turnover and increased worker productivity is good for the bottom line of all Maryland employers.

Paid leave also helps small businesses compete with larger businesses. Small businesses often have trouble matching the more robust paid leave benefits offered by larger employers – potentially creating a hiring and retention challenge. When all employers must abide by the same rules, the playing field is more level. In California, all sized employers report positive program outcomes overall, while small businesses (fewer than 50 employees) report more positive or neutral outcomes than larger businesses (100+ employees).[16]

The United States is the only industrialized nation that does not offer paid family leave, and Maryland's FAMLI program makes it one of only 11 states plus Washington D.C. that provide or will soon provide paid family leave.[17] The FAMLI program heightens Maryland's competitiveness both within the county and across the world.

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[12] Institute for Women's Policy Research. January 2020. Paid Family Leave Increases Mothers' Labor Market Attachment. https://iwpr.org/iwpr-iss ues/esme/paid-family-leave-increases-mothers-labor-market-attachment/

[13] National Women's Law Center. January 6, 2023. While Overall Unemployment Rate Edges Down, Rates Increase for Black Women and Latinas. https://nwlc.org/resource/while-overall-unemployment-rate-edges-down-rates-increase-for-black-women-and-latinas/

[14] Boushey, H., & Glynn, S. J. November 16, 2012. There Are Significant Business Costs to Replacing Employees. Center for American Progress. https://cdn.americanprogress.org/wp-content/uploads/2012/11/CostofTurnover.pdf

[15] Milkman, R., & Appelbaum, E. 2014. Low-Wage Workers and Paid Family Leave: The California Experience. What Works for Workers?: Public Policies and Innovative Strategies for Low-Wage Workers (p. 305). New York: Russell Sage Foundation Publications.

[16] Milkman, R., & Appelbaum, E. January 19, 2011.Paid Family Leave Pays Off in California. Harvard Business Review. http://blogs.hbr.org/2011/01/paid-family-leave-pays-off-in/

[17] Organisation for Economic Co-operation and Development. December 2022. PF2.1 Key characteristics of parental leave systems. https://www.oecd.org/els/soc/PF2_1_Parental_leave_systems.pdf

Maryland should be proud of establishing the FAMLI program in 2022 and the positive impact it will have on Marylanders. It's now critical to lay the groundwork for an equitable and accessible implementation process to ensure all Marylanders can benefit from the program.

CLASP appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.

SB 828_Allen_Support-Paid Fam and Med Leave.pdf
Uploaded by: Susan Allen
Position: FWA

TESTIMONY ON SB 828
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM - MODIFICATIONS

Senate Finance Committee
March 2, 2023

SUPPORT

My name is Susan Allen, a resident of Anne Arundel County, a volunteer with the Maryland Poor People's Campaign, and I strongly support SB 828, which modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split. The Maryland Poor People's Campaign **supports the sponsor amendments, which make the cost-sharing split 50-50 between employers and employees, putting SB 828 in the same posture as the House Bill.**

Passing the Time to Care Act of 2022 last legislative session was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. The critical work to create and implement an accessible, equitable, and robust FAMLI program is the next major step in fulfilling the promise of the Time to Care Act of 2022, and the General Assembly still has a key role to play in this collective effort. Passing SB 828 with the sponsor amendments will set important parameters for the FAMLI program, putting the program firmly on the path toward successful implementation.

I have written testimony previously about working my whole career as a teacher without one day of paid medical and family leave. No teacher should have to struggle to take care of her family without this leave.

In particular, SB 828 - with sponsor amendments - sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is fundamentally important, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLI programs. Maryland passed one of the strongest and most comprehensive FAMLI programs in the country, and this sponsor amendment to create a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

The Maryland Poor People's Campaign appreciates your consideration and strongly urges a favorable report on SB 828 with sponsor amendments.

Susan Allen, Chair of Policy
Maryland Poor People's Campaign
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410-626-2068
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SB0828_TracieGuyDecker_FAV.pdf
Uploaded by: Tracie Guy-Decker
Position: FWA

2 March 2023

Tracie Guy-Decker
Baltimore, MD 21229

<u>TESTIMONY IN SUPPORT OF SB828</u>
Family and Medical Leave Insurance Program - Modifications

TO: Chair Griffith, Vice Chair Klausmeier, and members of the Senate Finance Committee
FROM: Tracie Guy-Decker

I am a resident of Baltimore City in the 41st District. I'm a mom, a sister, a daughter, and a wife. In fact, I am the wife of a recently-retired Navy Chief. It is from this perspective–of military spouse–that I am providing testimony in support of SB828, Family and Medical Leave Insurance Program - Modifications, with the sponsor amendments.

My husband retired from the U.S. Navy in May 2021 as a Chief Petty Officer. For all of 2020 and part of 2021, he was stationed in Manama, Bahrain. When he received orders to Bahrain, we had about 90 days to make arrangements and say goodbyes. At the time, I was lucky enough to work at a job that provided leave, so I didn't face lost wages or lose my job when I took the time to deal with the many logistical tasks one faces when one's partner will be gone for over a year. Cancel the cellphone. Sell one of the cars. Arrange transportation for the days he was on drop-off or pick-up duty for our second-grade daughter. Figure out who or how to do the household chores he managed: mow the lawn and shovel the snow and clean the gutters. Even more important than those arrangements, I was able to take time to spend time with him before our forced separation.

As hard as our separation was (magnified as it was by the pandemic), we were privileged compared to some military families. Service members who are on deployment, rather than a tour of duty as my husband was, don't have the chance to communicate as frequently as we did. My counterparts in the Reserve or the National Guard can face the logistical and emotional upheaval I went through with as little as 30-days' notice.

Fewer than 1% of U.S. adults are active duty service members, and their families bear burdens that I never imagined before I became a military family-member. When service members are called up for deployment, their partners are faced not just with the emotional toll of impending separation, but with the logistical challenges of re-arranging the rhythms of their household. Those challenges are amplified by the fact that very often the military families live on or near military bases, not near their extended families and support systems.

It is likely that I will be the only military member or dependent providing testimony on this bill. This is not because my siblings in the armed services and their families don't need or care about the benefits this bill helps implement. It's because they're too busy managing all of the things I named above to get deeply invested in state politics. In fact, with military tours and the legislative process what they are, many families don't know if they'll even be Maryland residents by the time a given piece of legislation crosses the finish line.

That reality shouldn't further penalize our service members and their families who already give so much. The 50/50 shared cost between employee and employer is an important component of this bill for military dependents. Most military tours are between two and four years, which means that for them, for paid leave insurance to help, it cannot rely on employee longevity for the assistance to be meaningful.

Families should have time to be together in the days and weeks leading up to deployment, without risking financial ruin. When deployed soldiers, sailors, airmen and marines get "rest and recuperation" (R&R) leave with an opportunity to visit home, their working spouses should be able to take time off to be with them. Period. And when a service member comes home from deployment injured or unwell, their working loved one shouldn't have to choose between keeping a job or caring for their spouse.

The Family and Medical Leave Insurance Program includes specific provisions that address the unique challenges, burdens, and realities faced by military families. In Judaism, the Torah commands that "When people get married, they shall not go out with the army or be assigned to it for any purpose; they shall be exempt for one year for the sake of their household." My Jewish tradition values military families, and I know the state of Maryland does, too. Let's make sure we show it.

Our public policies should be shaped to protect us all. All the more so, those whose loved ones protect the country. Every military family should have the benefit of paid leave that I was able to access. Military service always takes a toll on service members' families but we don't have to allow a lack of paid leave to compound those sacrifices.

I respectfully urge this committee to issue a favorable report on SB828 with the sponsor amendments.

SB 828_MDCC_Family and Medical Leave Insurance Pro
Uploaded by: Andrew Griffin
Position: UNF

MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:
Unfavorable
Senate Bill 828
Family and Medical Leave Insurance Program – Modifications
Senate Finance Committee
Thursday, March 2, 2023

Dear Chairwoman Griffith 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, 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.

Application and Notification Periods

Changes to Section 8.3-403(a)(2)(i) shortens the timeframe in which the Maryland Department of Labor (MDDOL) is required to notify an employer of certain actions regarding an employees claim from 5 days to 3 days. While employer notification and certainty is a top concern for businesses regarding the program, we want to be cognizant of MDDOLs burden.

- We suggest working alongside MDDOL to establish timeframes they can commit and adhere to so businesses can have a reliable understanding of the process.

The new Section 8.3-701(B) addresses application periods for unforeseen leave. **These application/notification provisions are 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 benefit application timeframe.

- **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 exist in the statute

Employer Sponsored Leave – Concurrence

Employers should have the right to decide if their employees should exhaust their employer sponsored leave concurrently with the 12-week paid leave benefit, The new language in SB 828 precludes this and only allows for an employee option to take the leave concurrently. Additionally, the current language is confusing and is likely to cause overpayments and the need for reconciliation to employees.

- **We suggest striking "not" after "may" in Section 8.3–702(c)(1). You would then strike 8.3-702(c)(3).**

Total Contribution Rate

SB 828 calls for the MDDOL to make an annual determination based on certain cost analysis of the program, this is likely burdensome to MDDOL and different to then the biennial requirement passed in 2022. A legislative cap is also necessary to provide certainty, consistency and to avoid surprises to employers and employees. This guardrail will prevent large increases in annual contributions like we've seen in Washington State.

- **The committee should reinstate the 1% total contribution cap which existed in a previous version of the legislation.**

Delayed Implementation

Overall, more work needs to be done to balance the needs of employers and employees to ensure Maryland establishes a Family and Medical Leave Insurance program that works fairly for everyone. SB 828 only calls for a three-month delay for contribution payments. It is disingenuous to institute a new payroll tax on both employers and employees when a rate hasn't even been set.

- **The General Assembly must delay the effective date of the paid leave program for both contributions and benefits by an additional year.**

Significant concerns remain about Maryland's Family Medical Leave Insurance Program such as clarifying when a position is protected, what an employer should do if they suspect fraud or abuse, important terms remain undefined, and the Maryland Department of Labor is facing crucial staffing shortages.

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. Simply put, that work has not gone into the program before you. The Maryland Chamber stands ready to work alongside MDDOL, the proponents and members of the General Assembly to craft a fair and equitable program.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **SB 828.**

SB0828 -- Family and Medical Leave Insurance Progr
Uploaded by: Brian Levine
Position: UNF

Senate Bill 828 -- *Family and Medical Leave Insurance Program - Modifications*
Senate Finance Committee
March 2, 2023
Oppose

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes Senate Bill 828 -- *Family and Medical Leave Insurance Program - Modifications.*

While MCCC has had concerns about instituting another mandated employer requirement, we applaud the good intentions of the Maryland General Assembly for creating a family and medical leave insurance program. MCCC has a track record of supporting proposals that seek to enhance employee benefits. As an example, MCCC led an effort on the local level in Montgomery County to implement matching grants for childcare costs through dependent flexible spending accounts. We acknowledge that the marketplace for talent has grown more competitive and employers must offer a menu of enhanced benefits.

An area where MCCC has limited concern is the employer-employee contribution split. We fully understand that there will be further discussions on what the right percentage should be and for that reason MCCC is amenable to a 50% - 50% contribution if legislators conclude that is fundamentally fair.

There are, however, a few concerns MCCC has with Senate Bill 828. First, the currently proposed timeline for implementation of a family and medical leave insurance program in Maryland is too fast and thereby unworkable. The timeline for implementation should be extended significantly on behalf of employers who must institute and budget for the program.

MCCC is also concerned that the program as proposed is unnecessarily complicated. We support simplifying the program and following best practices from other states, which have programs that often more closely mirror the federal Family and Medical Leave Act (FMLA). For example, FMLA requires the employer to be notified by the employee before filing an application for family and medical leave, but Senate Bill 828 does not have that requirement.

Senate Bill 828 also allows more time than FMLA for an employe to file an application for benefits after the start of leave. The timeframe should mirror FMLA's, which requires that the application for benefits be filed as soon as practicable in the case of an unforeseen circumstance.

For these reasons, the Montgomery County Chamber of Commerce opposes Senate Bill 828 and respectfully requests an unfavorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com

2023 SB828 Written Testimony.pdf
Uploaded by: Deborah Brocato
Position: UNF

Opposition Statement SB828
Family and Medical Leave Insurance Program - Modifications
Deborah Brocato, Legislative Consultant
Maryland Right to Life

We oppose SB828
On behalf of our 200,000 followers across the state, we respectfully object to **SB828**. The bill expands the benefits of the Family and Medical Leave Insurance Program as well as those who are included under “family member(s)” thereby increasing the funding for abortion services. Maryland taxpayers should not be forced to expand the funding of the abortion industry. We oppose the modification of the Family and Medical Leave Insurance Program without an amendment to excluding abortion funding.

Maryland is one of only 4 states that forces taxpayer funding of abortion. Maryland taxpayers are forced to subsidize the abortion industry through direct Maryland Medicaid reimbursements to abortion providers, through various state grants and contracts, and through pass-through funding in various state programs. Health insurance carriers are required to provide reproductive health coverage to participate with the Maryland Health Choice program. Programs involved in reproductive health policy include the Maryland State Department of Education, Maryland Department of Health, Maryland Family Planning Program, maternal and Child Health Bureau, the Children’s Cabinet, Maryland Council on School Based Health Centers, Maryland for the Advancement of School Based Health, Community Health Resource Commission, Maryland Children’s Health Program (MCHP) and Maryland Stem Cell Research Fund.

Abortion is not healthcare and abortion is never medically necessary. A miscarriage is the ending of a pregnancy *after* the baby has died; an ectopic pregnancy is not a viable pregnancy and the baby cannot continue to develop. Abortion is the destruction of a developing human being and often causes physical and psychological injury to the mother. In the black community, abortion has reached epidemic proportions with half of pregnancies of Black women ending in abortion. The abortion industry has long targeted the Black community with 78% of abortion clinics located in minority communities. **Abortion is the leading killer of black lives.** See www.BlackGenocide.org.

The state is also neglecting the fact that as much as 65% of abortions are not by choice, but by coercion. The increasing use of the chemical abortion drugs is making coercion easier. Potential for misuse and coercion is high when there is no way to verify who is consuming the medication and whether they do so willingly. Sex traffickers and other abusers welcome the easy availability of chemical abortion drugs via telehealth.

The **Abortion Care Access Act of 2022** took away any semblance of abortion as healthcare by removing the physician requirement. Abortion is not healthcare. Abortion is the violent destruction of a developing human being. Abortion always kills the unborn child and often causes physical and psychological injury to women and girls. Abortion exploits women and girls and enables sexual abusers and sex traffickers to continue their crimes and victimization.

Opposition Statement SB828

Family and Medical Leave Insurance Program - Modifications

Deborah Brocato, Legislative Consultant
Maryland Right to Life

Americans oppose taxpayer funding of abortion. The 2023 Marist poll shows that 60% of Americans, pro-life and pro-choice, oppose taxpayer funding of abortion. 81% of Americans favor public funds being prioritized for health and family planning services that save the lives of mothers and their children including programs for improving maternal health and birth and delivery outcomes, well baby care and parenting classes.

Funding restrictions are constitutional. The Supreme Court of the United States, in *Dobbs v. Jackson Women's Health* (2022), overturned *Roe v. Wade* (1973) and held that there is no right to abortion found in the Constitution of the United States. As early as 1980 the Supreme Court affirmed in *Harris v. McRae*, that *Roe* had created a limitation on government, not a government funding entitlement. The Court ruled that the government may distinguish between abortion and other procedures in funding decisions -- noting that "*no other procedure involves the purposeful termination of a potential life*", and held that there is "*no limitation on the authority of a State to make a value judgment favoring childbirth over abortion, and to implement that judgment by the allocation of public funds*."

Without exclusion of abortion services and abortion funding, we oppose **SB828.**

-

Testimony - SB 828 FML Insurance Program (002).pdf
Uploaded by: Katie Lewis
Position: UNF

Government Relations Committee
Cecil County Chamber of Commerce
Elkton, Maryland
March 1, 2023

Senate Bill 828

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

LEGISLATIVE POSITION: Unfavorable

Dear Chairwoman Griffith and Members of the Senate Finance Committee:

On behalf of the over four hundred Cecil County Chamber members who represent over seventeen thousand employees we are writing to express our concerns regarding **SB 828** which addresses modifications in the *Family & Medical Leave Insurance Program* requiring all employees and employers in the State of Maryland to contribute funds to sustain the program established in the 2022 Legislative Session.

Our members understand the importance of having a high quality and committed workforce. We acknowledge that there are circumstances in employees' lives when certain personal matters dictate that their priorities be with their family resulting in them not being able to work for a defined period of time.

Having stated such, several of the modifications proposed in SB828 require more time to be completely vetted, refined or removed from considerations.

We ask that the Committee members consider the following prior to taking any action on SB828.

- Remove from the list of "Family Members," the proposed addition of "Domestic Partner," until the definition and proof of eligibility is more refined under Maryland statute.

- Reduce the provision of "not later than 60 days notification after the start date of the leave" to 30 days. Reduce the proposed appeal length of 30 days to 15 days. Not reducing the notification and appeal dates leads to potentially 110 days of leave, which is longer than the original 12-week benefit.

Employer Sponsored Leave – Concurrence

Employers should have the right to decide if their employees should exhaust their employer sponsored leave concurrently with the 12-week paid leave benefit, The new language in SB 828 precludes this and only allows for an employee option to take the leave concurrently. Additionally, the current language is confusing and is likely to cause overpayments and the need for reconciliation to employees.

• **We suggest striking “not” after “may” in Section 8.3–702(c)(1). You would then strike 8.3-702(c)(3).**

Total Contribution Rate

SB 828 calls for the MDDOL to make an annual determination based on certain cost analysis of the program. This is likely burdensome to MDDOL and different from the biennial requirement passed in 2022. A legislative cap is also necessary to provide certainty, consistency and to avoid surprises to employers and employees. This guardrail will prevent large increases in annual contributions as seen in Washington State.

• **The committee should reinstate the 1% total contribution cap which existed in a previous version of the legislation.**

The intent of these modifications are admirable, but the potential impacts remain concerning. We respectfully request that the Committee members consider the requested changes and delay implementation of the program for another year.

Do not hesitate to contact us if we can be of further service to you on this critically important proposed legislation. Thank you for your attention and consideration.

Members of Cecil County Chamber Government Relations Committee

Executive Director – Megan McRay
mmcray@cecilchamber.com
410-392-3833

Opposition SB 828 Wash. Co. Chamber.pdf
Uploaded by: Paul Frey
Position: UNF

Legislative Position: Oppose
Senate Bill 828
Family Medical Leave Insurance Programs – Modifications
Finance Committee

February 28, 2023

Dear Chair Griffith and Members of the Committee:

On behalf of the Washington County Chamber of Commerce, with 650 member organizations representing over 40,000 employees, I am writing you in **OPPOSITION** of **Senate Bill 828, Family Medical Leave Insurance Programs – Modifications.** We have a number of concerns, but the top three are:

1. The notification periods are entirely too long, allowing an employee to potentially be out the entire time of the benefit without knowing if the benefit is approved or not.
2. The concurrence language needs to be tightened so that employers MAY require an employee to use this benefit concurrently with other employer sponsored leave if the employer wants them too.
3. The entire program needs to be delayed to allow DOL time to prepare to administer the program and to allow all the impacted parties to work out the many administrative issues in the bill.

Governor Moore promised to "leave no one behind" during his time in office. We hope the business community is not "left behind" when addressing our concerns with SB 828. Recommended solutions:

1. **The employer should be notified by the employee before beginning an application.** The employer should be the original adjudicator, which mirrors FMLA. The employee is not currently required to notify their employer they are filing an application for leave, unless the leave is foreseeable.
2. **The concurrence language should be left to the employer's discretion.**
    a. Employers should have the right to decide if their employees should exhaust their employer sponsored leave concurrently with the 12-week paid leave benefit. The new language precludes this and only allows for an employee option to take the leave concurrently.
    b. Under 8.3–702. (c) (1), strike "not" after "may" to provide employers more discretion.
    c. The current language is confusing and could cause a lot of overpayments and needed reconciliation to employees. Employees will likely see this language as stacking.

3. **The implementation date is too soon for employers and the Maryland Department of Labor.**

   Employer contributions would begin only three months later than originally planned. The entire program should be delayed so more time can go into fleshing out a well thought-out and discussed state program. This includes education to businesses and hiring and training staff to administer the complex program. Mostly importantly, businesses should know how much this is going to cost them before they begin making payments. It needs to work for MDDOL so it works for employers and employees.

On behalf of the Washington County Chamber of Commerce, and the continued economic health of Hagerstown, Maryland, Washington County, and the State of Maryland, we respectfully request an **UNFAVORABLE REPORT** on **SB 828**.

Sincerely,

Paul Frey

Paul Frey, IOM
President and CEO

SB 828_MAA_UNF.pdf
Uploaded by: Rachel Clark
Position: UNF

MARYLAND ASPHALT ASSOCIATION

SINCE 1954

March 1, 2023

Senator Griffith, Chair
Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

RE: Senate Bill 828 – UNFAVORABLE – Family and Medical Leave Insurance Programs – Modifications

Dear Chair Griffith and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 828 would alter provisions in the Family and Medical Leave Insurance Program by expanding the individuals covered under the Family and Medical Leave Insurance Program. Meaning that employers would be responsible for finding replacements for an even greater amount of people. It also sets the rate employers must pay into the fund at 25% of the total rate of contribution **per** each covered employee. This is an extremely high rate for employers to pay, especially considering they will have to hire and pay temporary employees until the original employee returns to working capacity. Combing these two new provisions together enhances the financial significance of this bill.

The Family and Medical Leave Insurance Program already casts a heavy financial burden on employers. This bill only escalates that negative impact. We strongly feel that our small businesses already bear much of the burden in the state of Maryland to justify adding this cost. Throughout the past few years, our members have made it their priority to give their employees time off work for family and medical situations, but mandating that time be given off, while also forcing the employers to pay into a fund at such a high rate is neither fair nor sensible.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on Senate Bill 828.

Sincerely,

G. Marshall Klinefelter

Marshall Klinefelter
President
Maryland Asphalt Association

THE MARYLAND ASPHALT ASSOCIATION, INC. 2408 PEPPERMILL DRIVE; SUITE G; GLEN BURNIE, MARYLAND 21061
(410) 761-2160 FAX (410) 761-2160 WEB SITE www.mdasphalt.org

SB 828_MTBMA_UNF.pdf
Uploaded by: Rachel Clark
Position: UNF

MTBMA
MARYLAND TRANSPORTATION
BUILDERS AND MATERIALS ASSOCIATION

March 1, 2023

Senator Griffith, Chair
Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

RE: Senate Bill 828 – UNFAVORABLE – Family and Medical Leave Insurance Programs – Modifications

Dear Chair Griffith and Members of the Committee:

The Maryland Transportation Builders and Materials Association (MTBMA) has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 828 would alter provisions in the Family and Medical Leave Insurance Program by expanding the individuals covered under the Family and Medical Leave Insurance Program. Meaning that employers would be responsible for finding replacements for an even greater amount of people. It also sets the rate employers must pay into the fund at 25% of the total rate of contribution **per** each covered employee. This is an extremely high rate for employers to pay, especially considering they will have to hire and pay temporary employees until the original employee returns to working capacity. Combing these two new provisions together enhances the financial significance of this bill.

The Family and Medical Leave Insurance Program already casts a heavy financial burden on employers. This bill only escalates that negative impact. We strongly feel that our small businesses already bear much of the burden in the state of Maryland to justify adding this cost. Throughout the past few years, our members have made it their priority to give their employees time off work for family and medical situations, but mandating that time be given off, while also forcing the employers to pay into a fund at such a high rate is neither fair nor sensible.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on Senate Bill 828.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association