



## 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*

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