



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

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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,

A handwritten signature in black ink, appearing to read "Matthew Celentano", with a long horizontal flourish extending to the right.

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

cc: Members, Senate Finance Committee