

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 FAMILI 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