TESTIMONY IN OPPOSITION TO HB 102
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – REVISIONS

Senate Finance Committee
April 4, 2025

Submitted by Lisa Klingenmaier, 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 - working since 2016 to establish a comprehensive paid family and medical leave program in Maryland.

The Time to Care Coalition opposes HB 102, as amended in the House, which would leave Marylanders without paid medical and family leave benefits for an additional 18 months. While we support the other technical provisions in the legislation, **we cannot support the legislation with the 18-month delay provision and respectfully request an amendment to remove the implementation delay**.

The Time to Care Coalition represents the millions of Marylanders who have fought for access to paid leave and are eager to realize the full implementation of the FAMLI program. Passing the Time to Care Act in 2022 was a historic victory for all Marylanders - and it was just the first step in realizing Paid Family and Medical Leave in Maryland. Since 2016, The Time to Care Coalition has been working to establish - and now implement - a comprehensive paid family and medical leave program in Maryland that follows our five key principles: the program is cost-effective for workers, employers, and the government; covers all working people and applies equally to all working people; reflects an inclusive definition of family and includes the well-established reasons people need paid family and medical leave; provides up to 12 weeks of leave and replaces a substantial share of workers' usual wages; and protects workers against adverse consequences for taking leave.

Time to Care members are dismayed by the Administration's proposed 18-month implementation delay, which far exceeds any previous delay and puts Maryland behind compared to other states' implementation timelines. The Maryland Department of Labor (DOL) is leading the critical work to implement the FAMLI program, and the Department's progress - as announced in a FAMLI briefing this January - is 70 percent of the way ready to begin contribution collection this summer, which is on course for the current implementation timeline in the statute. It is therefore hard to grasp why a delay has been requested for "federal uncertainty" when this program receives no federal funding, and no other states currently implementing their FAMLI programs are proposing similar delays. **Maryland is an anomaly with this proposal, and delaying FAMLI implementation leaves Marylanders with continuing uncertainty on whether they will be able to maintain their income if they get seriously ill or are expecting a child.**

Delaying implementation of the FAMLI program will harm hundreds of thousands of families, caretakers, service members, and Marylanders going through a medical crisis. According to the latest actuarial study commissioned by the DOL, it's anticipated that the FAMLI program will receive over 165,000 claims in its first year, just shy of 14,000 claims a month.[1] Consequently, an 18-month delay in implementation means that over 247,000 Marylanders, who would have had access to paid leave if the program was implemented on time, will instead have to make impossible choices between caring for themselves and their loved ones or maintaining their income and paying their bills.

Delaying implementation of FAMLI is counterproductive to the state's goal to end childhood poverty. The Urban Institute found that Maryland's FAMLI program has the potential to reduce the poverty rate by 22% among families receiving benefits.[2] Because these families will not need to access other state-funded programs, the state is expected to spend $28 million less on safety-net programs.[3] Every day the implementation of FAMLI is delayed, Maryland families needlessly fall into poverty without access to paid leave. When families have nowhere else to turn for support, Maryland will bear these costs through spending in our state's safety-net programs.

Extending the time Marylanders must wait to access paid leave hurts our state's economy and small businesses. The Urban Institute study noted that FAMLI will provide a $98 million tax benefit to small businesses, leveling the playing field for small businesses to compete with large corporations and making the state an enticing place to start a business.[4] Moreover, lack of access to paid family and medical leave is a leading reason women leave the workforce; as Maryland already struggles with declining Labor Participation Rates (LPR) for women, further delays to FAMLI implementation further hinder our state's sluggish economic growth.[5] Maintaining the current FAMLI implementation timeline benefits families, businesses, and Maryland's economy.

Delaying the implementation of the FAMLI program will put Maryland behind other states. As it stands, three states that passed paid leave legislation after Maryland – Delaware, Minnesota, and Maine – will fully implement their programs before Maryland does, leaving our residents waiting.[6] While Maryland was lauded as a national leader in paid leave policy when we passed the Time to Care Act in 2022, each year the programmatic implementation gets further delayed other states take up the mantle and lead ahead of us, leaving Marylanders behind. No other state has taken six years to implement its program, which is the length of time it will take Maryland if the proposed delay is implemented. Life's joys and tragedies don't wait, and it's a broken promise to ask hardworking Marylanders to delay their ability to care for themselves and their families.

Since Time to Care was passed in 2022, the implementation timeline has already been delayed twice through legislation in the 2023 and 2024 legislative sessions. Marylanders are eager to access this critical program they have waited for, and further implementation delays are untenable.

The Time to Care Coalition appreciates your consideration and opposes HB 102 with an 18-month delay provision. We would support the legislation if the 18-month delay were amended out.

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1 The Jacob Institute, University of Baltimore. 2024. *Maryland Family and Medical Leave Insurance Program – Phase II: Analysis of Expected Program Claims and Administration Expense.* https://www.jacobfrance.org/wp-content/uploads/Phase-II-Final-Report-for-Task-2-01312024.pdf

2 Urban Institute. September 2024. *Impact of Paid Family and Medical Leave in Maryland: an Analysis of the Maryland Family and Medical Leave Insurance Act. https://www.dol.gov/sites/dolgov/files/WB/pdf/ImpactPFMLMaryland.pdf*

3 Ibid.

4 Ibid.

5 Bipartisan Policy Center. October 2023. *Women in the Workforce Need Family-Focused Policy. https://bipartisanpolicy.org/blog/women-in-the-workforce-need-family-focused-policy/*