



HB 102 - Family and Medical Leave Insurance Program - Revisions

Senate Finance Committee

April 4, 2025

SUPPORT with Amendments

Chair Beidle, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support with amendments for House Bill 102. CASH supports HB 102 only with an amendment removing the implementation delay.

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.**

CASH supports HB 102, which would make several technical revisions to the state's Family and Medical Leave Insurance (FAMLI) program. **CASH does not support the additional 18-month delay in HB 102, and respectfully requests this provision be removed.**

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 Maryland Department of Labor, it's anticipated that the FAMLI program will receive over 165,000 claims in its first year, just shy of 14,000 claims a month¹. 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.

Extending the time Marylanders must wait to access paid leave hurts our state's economy and leaves Marylanders behind. 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. As it stands, the FAMLI program has already been delayed twice, and each year the programmatic implementation gets further delayed, other states pass and implement their own FAMLI programs, leaving Marylanders behind. Three states that passed paid leave legislation after Maryland – Delaware, Minnesota, and Maine – will fully implement their programs before Maryland does, and none of these states are delaying their implementation due to "federal uncertainty." 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.

Thus, we encourage you to return a favorable report with amendments that remove the delay provisions in the legislation.

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>