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Position: FAV



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

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Governor

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Lieutenant Governor

HELENE GRADY
Secretary

MARC L. NICOLE
Deputy Secretary

House Bill 1503 State Personnel - Paid Family and Medical Leave

Statement of Support

DATE: March 27th 2025

COMMITTEE: Finance

Good afternoon, Chair Beidle and Members of the Committee.

My name is Helene Grady, and I serve as Secretary of the Department of Budget and Management. Here with me is Neal Desai, Chief HR Officer and Danielle Miller, Assistant Attorney General assigned to DBM.

I would like to thank, Chair Barnes, for sponsoring this legislation.

As you know, Maryland is preparing to launch the Family and Medical Insurance or FAMILI program, which provides workers with paid leave to care for themselves or a family member.

Under the current law, employers in the State of Maryland, including the State government, are required to begin providing FAMILI leave benefits to employees on July 1, 2026.

With this date in mind, DBM began preparing for the implementation of the leave program for Executive Branch State employees this past fall. In particular, the Administration engaged in bargaining with each of the labor unions to reach an agreement on the benefits of the leave program.

This bill, HB1503, is the outcome of the negotiations and the State's leave proposal for Paid Family and Medical Leave that not only complies with but exceeds the requirements of Maryland's Family and Medical Insurance program.

Under this bill, all State employees in the Executive Branch, including temporary employees, are eligible for Paid Family and Medical Leave as of July 1, 2026, at the employee's regular rate of pay. Unlike the Family and Medical Insurance program, State employees will not have to make contributions from their pay. Further, State employees will be eligible for leave benefits as of July 1, 2026 or their first day of employment. There is no eligibility criteria based on previous hours worked.

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The State's proposed Paid Family and Medical Leave mirrors the Family and Medical Insurance program with regard to the reasons an employee can take leave, such as welcoming a new child, caring for their own or a family member's serious health condition, or making arrangements for a family member's military deployment, as well as the job protections that are provided to an employee who takes the leave. The State's Paid Family and Medical Leave, like the Family and Medical Insurance leave, will run concurrent with an employee's eligibility under the federal Family and Medical Leave Act (FMLA).

Finally, this bill repeals the State Personnel and Pensions provisions related to parental leave for the simple reason that the proposed Family and Medical Leave program will allow employees to receive the same amount of paid leave without having to exhaust all of their accumulated personal and annual leave before accessing leave benefits.

In addition to complying with the requirement of the Family and Medical Insurance program, DBM believes this proposed Paid Family and Medical Leave will be a valuable tool for attracting and retaining employees with the State government.

Thank you for your time and consideration. My team and I are happy to answer any questions.

**For additional information, contact Dana Phillips at
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HB 1503_AFSCME3_FAV.pdf

Uploaded by: Denise Gilmore

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Patrick Moran – President

HB 1503 – State Personnel – Paid Family and Medical Leave
Finance Committee
March 27, 2025

Position: FAVORABLE

AFSCME Maryland Council 3 proudly represents 50,000 dedicated state, county, and municipal employees. We firmly support the implementation of paid family leave, as it allows workers to take the necessary time to care for themselves or their loved ones without the fear of losing their income.

We are pleased to have reached an agreement with the Department of Budget and Management to extend this critical benefit to our members covered under the state contract. Paid family leave is not only essential for the well-being of workers, but it also strengthens employers by promoting a healthier, more productive workforce. HB 1503 is necessary to effectuate our agreement.

Paid leave policies are good for workers and employers. We urge the committee to provide a favorable report on HB 1503.

Thank you for your consideration.

The following states that have collective bargaining for state employees, AK, CA, CT, DC, DE, HI, IL, ME, MN, NE, NJ, NM, NV, OH, OR, PA, MT, RI, WA have a terminal point for negotiations, either binding interest arbitration, the right to strike, or a legislative process. These processes create a level playing field for both parties.

This legislation would create a mutual incentive to compel parties to reach an agreement around collective bargaining negotiations by instilling a binding interest arbitration process, whereby if the two sides cannot come to agreement through negotiations by a specified deadline the proposals.

From the two sides would be presented to a professional, neutral third- party arbitrator – hearing from witnesses and experts, with data and evidence – for consideration of all the facts involved with the purpose of determining which proposal is most appropriate to implement. The choice by the arbitrator would then be considered a binding resolution to be implemented by the Governor and exclusive bargaining representative for whatever appropriations are necessary to implement and fund the memorandum of understanding. The budgetary powers of the Maryland General Assembly remain unaltered.

SB 188 is a strong and positive step toward enhancing fairness, balance, and efficiency, and resolution. It follows a model that is well-established in other states and among Maryland counties. We urge a favorable report.



HB 1503 - State Personnel – Paid Family and Medica

Uploaded by: Denise Riley

Position: FAV



A Union of Professionals
AFT-Maryland

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Kenya Campbell
PRESIDENT

LaBrina Hopkins
SECRETARY-TREASURER

**Written Testimony Submitted to the Maryland Senate Finance Committee
HB 1503 - State Personnel – Paid Family and Medical Leave
March 27, 2025**

FAVORABLE

AFT-Maryland is the certified bargaining representative for three state employee bargaining units– the Maryland Professional Employees Council, AFT Healthcare Maryland, and the Maryland School for the Deaf.

On their behalf, we call on this committee to issue a favorable report to HB 1503. This bill will provide state employees with a benefit that will allow qualifying employees up to 12 weeks of paid leave to care for a newborn or newly adopted child, to help care for a close family member, or to themselves recover from a serious, long-term illness.

The bill is modeled after the state’s FAMLI leave plan, but is a better benefit for state employees as it will allow those workers to receive their full compensation while using this leave. This bill will also save the state significantly, as it will lift the requirement in the state’s new Family Medical Leave plan that requires employers to make significant contributions into the state’s FAMLI fund.

All three of our unions came to an agreement with the state on these provisions during the last round of collective bargaining negotiations, and this bill is the manifestation of those agreements into state code.

In the course of our discussions with the administration about the best ways to fill the thousands of vacant positions in state government, while simultaneously creating cost savings for the state, all parties landed on this solution– this would be a clear benefit to attract prospective employees to work for state government, and it would allow the state to avoid having to pay into the state’s FAMLI plan for each of its workers.

For these reasons, we call on this committee to issue a favorable report to HB 1503. Thank you.

HB1503_USM_XFSENFIN.pdf

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Position: FWA



SENATE FINANCE COMMITTEE
House Bill 1503
State Personnel – Paid Family and Medical Leave
March 27, 2025
Favorable with Amendments

Chair Beidle, Vice Chair Hayes and members of the committee, thank you for the opportunity to testify on House Bill 1503. The University System of Maryland (USM) is an independent unit of State Government with an independent personnel system, which is governed and managed by the USM Board of Regents (BOR).

The USM is comprised of twelve distinguished institutions, and three regional centers. We award eight out of every ten bachelor's degrees in the State. Each of USM's 12 institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes three Historically Black Institutions, comprehensive institutions and research universities, and the country's largest public online institution.

House Bill 1503 establishes fully paid Family and Medical Leave (PFML) for all employees, including temporary employees, of all Executive Branch units, **including units with an independent personnel system**. As written, the provision of PFML will be in accordance with regulations to be adopted by the Secretary of Budget and Management.

USM employees are not covered by regulations and personnel policies covering State Personnel Management System (SPMS) employees, issued under the authority of the Secretary of Budget and Management. Instead, USM employees are covered by distinct human resources policies, procedures, and guidelines approved by the BOR and implemented by the USM Chancellor, as well as those implemented by the Presidents of constituent USM institutions. HB1503 does not appear to sufficiently reflect the full statutory authority of the BOR to govern and manage its affairs.

The USM looks forward to working with the sponsor to address these concerns and has included with this testimony suggested amendments for your consideration. Thank you again for the opportunity to offer amendments on House Bill 1503.

Purpose of the Amendments:

These amendments are intended to recognize the statutory authority of the Board of Regents (BOR) over the management of the affairs of the USM, and to provide clarity over implementation of the proposed program. The amendments require the BOR to establish conditions and procedures for

requesting and approving paid family and medical leave for USM employees and permit the BOR to delegate to an employee or appointing authority (USM presidents) any power or duty. The amendments modify the language throughout to more generically define the requirements so that they are applicable to both the State Personnel Management System and the USM personnel system, and so they are more closely aligned to existing operations (e.g., requests for leave are typically submitted to an employee's supervisor or manager, and not directly to the appointing authority/USM presidents).

**HOUSE BILL 1503
(THIRD READING FILE BILL)**

AMENDMENT NO. 1:

On page 5, insert "OR FOR AN INSTITUTION OF HIGHER EDUCATION THE GOVERNING BODY" before "SHALL" on line 15.

AMENDMENT NO. 2:

On page 5, insert "OR FOR AN INSTITUTION OF HIGHER EDUCATION THE GOVERNING BODY" before "MAY" on line 20. Strike "OF THE DEPARTMENT" on line 21.

AMENDMENT NO. 3:

On page 5, strike beginning with "THE" through "FILE" on line 26, and insert "SHALL BE FILED" before "WITH" on line 27.

AMENDMENT NO. 4:

On page 6, strike beginning with "TO" on line 2 through "AUTHORITY" on line 3 and insert instead "FOR LEAVE IN ACCORDANCE WITH ESTABLISHED PROCEDURES".

AMENDMENT NO. 5:

On page 6, strike "APPOINTING" on line 21 through "AN" on line 22. Insert "MAY BE REQUIRED" before "TO" on line 22. Strike beginning with "THE" through "WITH" on line 23.

AMENDMENT NO. 6:

On page 6, strike beginning with "TO" through "AUTHORITY" on line 27.

AMENDMENT NO. 7:

On page 6, strike "APPOINTING AUTHORITY'S" on lines 29-30.

AMENDMENT NO. 8:

On page 7, strike "BY THE DEPARTMENT" on line 6.

AMENDMENT NO. 9:

On page 7, strike beginning with "THE" on line 7 through "WAIVE" on line 8. Insert "SHALL BE WAIVED" before "FOR" on line 9.

AMENDMENT NO. 10:

On page 7, strike beginning with "THE" on line 11 through "SUBTITLE" on line 12 and replace with "LEAVE MAY BE DENIED UNDER THIS SUBTITLE".

AMENDMENT NO. 11:

On page 7, strike “THE APPOINTING AUTHORITY WITH” on line 21.

AMENDMENT NO. 12:

On page 7, strike beginning with the second “AN” on line 26 through “REDUCE” on line 27. Insert “MAY NOT BE REDUCED” before “BEYOND” on line 28.

AMENDMENT NO. 13:

On page 8, strike beginning with “THE” through “COUNT” on line 17. Insert “MAY BE COUNTED” before “AGAINST” on line 19.

AMENDMENT NO. 14:

On page 8, strike beginning with “EMPLOYEE’S” on line 21 through “A” on line 22. Insert “IS DESIGNATED” after “LEAVE” on line 22.

AMENDMENT NO. 15:

On page 8, strike beginning with “THE” on line 25 through “NOTIFIES” on line 26. Insert “IS NOTIFIED” after “EMPLOYEE” on line 26.

