SB0275/283522/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 275 (First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with "authorizing" in line 12 down through "circumstances;" in line 13.

AMENDMENT NO. 2

On page 2, after line 30, insert:

"(G) "DEPLOYMENT" MEANS A SERVICE MEMBER ACTING UNDER OFFICIAL ORDERS WHO, ON ANY DAY, IS PERFORMING SERVICE IN A TRAINING EXERCISE OR OPERATION AT A LOCATION OR UNDER CIRCUMSTANCES THAT MAKE IT IMPOSSIBLE OR INFEASIBLE FOR THE SERVICE MEMBER TO SPEND OFF-DUTY TIME IN THE HOUSING IN WHICH THE SERVICE MEMBER RESIDES WHEN ON GARRISON DUTY AT THE SERVICE MEMBER'S PERMANENT DUTY STATION OR HOMEPORT.";

and in line 31, strike "(G)" and substitute "(H) (1)".

On page 3, after line 1, insert:

"(2) "EMPLOYER" DOES NOT INCLUDE AN INDIVIDUAL WHO:

(I) IS THE SOLE OWNER OF A SOLE PROPRIETORSHIP, LIMITED LIABILITY COMPANY, C CORPORATION, OR S CORPORATION; AND

(II) IS THE ONLY INDIVIDUAL EMPLOYED BY THE SOLE PROPRIETORSHIP, LIMITED LIABILITY COMPANY, C CORPORATION, OR S CORPORATION.";

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in lines 2, 25, and 27, strike "(H)", "(I)", and "(J)", respectively, and substitute "(I)", "(J)", and "(K)", respectively; and strike line 29 in its entirety.

On page 6, in line 3, after "(A)" insert "(1)"; in the same line, strike "SECTION" and substitute "<u>SUBSECTION</u>"; in lines 5, 7, and 8, strike "(1)", "(2)", and "(3)", respectively, and substitute "(I)", "(II)", and "(III)", respectively; in line 11, strike "(B)" and substitute "(2)"; after line 13, insert:

(B) This title preempts the authority of a local jurisdiction to enact a law on or after June 1, 2022, that establishes a paid family and medical leave insurance program for employees of an employer other than the local jurisdiction.";

in line 16, after "(A)" insert "IN THIS SECTION, "SELF-EMPLOYED INDIVIDUAL" INCLUDES AN INDIVIDUAL THAT:

(1) <u>IS THE SOLE OWNER OF A SOLE PROPRIETORSHIP, LIMITED</u> <u>LIABILITY COMPANY, C CORPORATION, OR S CORPORATION; AND</u>

(2) IS THE ONLY INDIVIDUAL EMPLOYED BY THE SOLE PROPRIETORSHIP, LIMITED LIABILITY COMPANY, C CORPORATION, OR S CORPORATION.

<u>(B)</u>";

in line 21, strike "(**B**)" and substitute "<u>(C)</u>"; and in line 22, strike "(**A**)" and substitute "<u>(**B**)</u>".

On page 7, in line 2, strike "(C)" and substitute "(D)".

On page 14, in line 5, strike "JANUARY 1, 2023" and substitute "<u>OCTOBER 1,</u> <u>2023</u>".

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On page 15, in line 7, after "(A)" insert "(1)"; in the same line, strike "BEGINNING JULY 1, 2024" and substitute "SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, BEGINNING JANUARY 1, 2025"; and in lines 9, 12, 14, 17, and 20, strike "(1)", "(2)", "(3)", "(4)", and "(5)", respectively, and substitute "(I)", "(II)", "(III)", "(IV)", and "(V)", respectively.

On page 18, in lines 15 and 16, strike "JULY 1, 2024" and substitute "JANUARY <u>1, 2025</u>"; in lines 17 and 18, strike "JULY 1, 2025" and substitute "JANUARY 1, 2026"; strike beginning with "EXCEPT" in line 25 down through "PARAGRAPH" in line 26 and substitute "SUBJECT TO SUBSECTION (E) OF THIS SECTION"; and in line 26, strike "JULY 1, 2025" and substitute "JANUARY 1, 2026".

On page 19, in line 5, strike "MARCH 1, 2025" and substitute "<u>SEPTEMBER 1,</u> <u>2025</u>"; in line 11, strike "JULY 1" and substitute "<u>JANUARY 1</u>"; strike in their entirety lines 12 through 14, inclusive; in line 23, after the first "INDIVIDUAL" insert "<u>AND THE</u> <u>COVERED INDIVIDUAL'S EMPLOYER</u>"; and after line 28, insert:

"(E) (1) IN THIS SUBSECTION, "BOARD" MEANS THE BOARD OF PUBLIC WORKS.

(2) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, ON OR BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2025, THE BOARD SHALL DETERMINE WHETHER THE SEASONALLY ADJUSTED TOTAL EMPLOYMENT FROM THE CURRENT EMPLOYMENT STATISTICS SERIES AS REPORTED BY THE U.S. BUREAU OF LABOR STATISTICS FOR THE MOST RECENT 6-MONTH PERIOD IS NEGATIVE AS COMPARED WITH THE IMMEDIATELY PRECEDING 6-MONTH PERIOD.

(3) (I) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, THE BOARD MAY TEMPORARILY SUSPEND AN INCREASE IN THE MAXIMUM WEEKLY BENEFIT SPECIFIED UNDER SUBSECTION (B)(2)(II) OF THIS SECTION IF THE SB0275/283522/01Finance CommitteeAmendments to SB 275Page 4 of 11

BOARD DETERMINED UNDER PARAGRAPH (2) OF THIS SUBSECTION THAT THE SEASONALLY ADJUSTED TOTAL EMPLOYMENT IS NEGATIVE.

(II) IF THE SEASONALLY ADJUSTED TOTAL EMPLOYMENT IS NEGATIVE, THE BOARD MAY CONSIDER THE PERFORMANCE OF STATE REVENUES IN THE IMMEDIATELY PRECEDING 6 MONTHS, AS REPORTED BY THE OFFICE OF THE COMPTROLLER, IN DETERMINING WHETHER TO TEMPORARILY SUSPEND AN INCREASE TO THE MAXIMUM WEEKLY BENEFIT SPECIFIED UNDER SUBSECTION (B)(2)(II) OF THIS SECTION.

(4) IF THE BOARD TEMPORARILY SUSPENDS AN INCREASE TO THE MAXIMUM WEEKLY BENEFIT SPECIFIED UNDER SUBSECTION (B)(2)(II)2 OF THIS SECTION:

(I) THE MAXIMUM WEEKLY BENEFIT IN EFFECT FOR THE PERIOD BEGINNING THE FOLLOWING JANUARY 1 SHALL REMAIN THE SAME AS THE RATE THAT WAS IN EFFECT FOR THE IMMEDIATELY PRECEDING 12–MONTH PERIOD; AND

(II) THE BOARD SHALL NOTIFY THE SECRETARY THAT THE MAXIMUM WEEKLY BENEFIT INCREASE FOR THE PERIOD BEGINNING THE FOLLOWING JANUARY 1 IS SUSPENDED FOR 1 YEAR.

(F) THE DEPARTMENT SHALL NOTIFY EACH EMPLOYER OF THE INCREASE TO THE MAXIMUM WEEKLY BENEFIT SPECIFIED UNDER SUBSECTION (B)(2)(II) OF THIS SECTION.".

AMENDMENT NO. 3

On page 14, in line 9, after "SECRETARY" insert "<u>ANNUALLY</u>"; in line 16, strike "EQUALLY"; in line 20, strike "50%" and substitute "<u>25%</u>"; in line 24, strike "50%" and substitute "<u>75%</u>"; in line 25, after "(II)" insert "<u>1</u>."; in the same line, strike "THE" and substitute "<u>EXCEPT AS PROVIDED IN SUBSUBPARAGRAPH 2 OF THIS</u> <u>SUBPARAGRAPH, THE</u>"; and after line 27, insert: SB0275/283522/01Finance CommitteeAmendments to SB 275Page 5 of 11

"2. IF THE EMPLOYER OF AN EMPLOYEE ELECTS TO PAY A PORTION OF THE EMPLOYEE'S REQUIRED CONTRIBUTION, THE EMPLOYER MAY DEDUCT AN AMOUNT THAT IS LESS THAN 80% OF THE TOTAL RATE OF CONTRIBUTION REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH FROM THE WAGES OF THE EMPLOYEE.".

AMENDMENT NO. 4

On page 9, in line 28, after "(V)" insert "<u>1</u>."; in the same line, after "LEAVE" insert "<u>UNDER § 8.3–302(2) OR (4) OF THIS TITLE</u>"; strike beginning with "THE" in line 28 down through "LEAVE" in line 29 and substitute "<u>A STATEMENT THAT THE COVERED</u> INDIVIDUAL NEEDS TO CARE FOR A FAMILY MEMBER OR SERVICE MEMBER AND THE EXPECTED DURATION OF THE INTERMITTENT LEAVE; OR

2. FOR A CERTIFICATION OF INTERMITTENT LEAVE UNDER § 8.3–302(3) OF THIS TITLE, A STATEMENT THAT THE COVERED INDIVIDUAL IS UNABLE TO PERFORM THE FUNCTIONS OF THE COVERED INDIVIDUAL'S POSITION AND THE EXPECTED DURATION OF THE INTERMITTENT LEAVE";

in line 30, after "ESTABLISH" insert ":

<u>(I)</u>";

and in line 32, after "TITLE" insert ":

(II) <u>STANDARDS FOR VERIFYING THE IDENTITY OF A FAMILY</u> <u>MEMBER FOR A CLAIM FOR BENEFITS UNDER § 8.3–302(2) OF THIS TITLE;</u>

(III) PROCEDURES FOR DENYING A CLAIM FOR BENEFITS UNDER THIS TITLE IF A COVERED EMPLOYEE'S ABSENCE WILL CAUSE A DEMONSTRATED HARDSHIP TO THE EMPLOYER; AND

(IV) PROCEDURES FOR AN EMPLOYER TO PROVIDE EVIDENCE OF SUSPECTED FRAUD TO THE SECRETARY".

(Over)

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On page 15, after line 22, insert:

"(2) (I) EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, IF THE NEED TO USE LEAVE IS FORESEEABLE, AN EMPLOYER MAY REQUIRE A COVERED EMPLOYEE TAKING LEAVE UNDER THIS TITLE TO PROVIDE THE EMPLOYER WITH WRITTEN NOTICE OF THE COVERED EMPLOYEE'S INTENTION TO TAKE LEAVE AT LEAST 30 DAYS BEFORE COMMENCING THE LEAVE.

(II) IF THE NEED TO USE LEAVE IS NOT FORESEEABLE, THE COVERED EMPLOYEE SHALL:

1.PROVIDE NOTICE TO THE EMPLOYER AS SOON ASPRACTICABLE; AND

2. <u>GENERALLY COMPLY WITH THE EMPLOYER'S</u> <u>NOTICE OR PROCEDURAL REQUIREMENTS FOR REQUESTING OR REPORTING</u> <u>OTHER LEAVE, IF THOSE REQUIREMENTS DO NOT INTERFERE WITH THE</u> <u>COVERED EMPLOYEE'S ABILITY TO USE LEAVE FOR WHICH BENEFITS MAY BE</u>

PAID UNDER THIS TITLE.";

and in line 23, strike "PARAGRAPH (2)" and substitute "PARAGRAPHS (2) AND (3)".

On page 16, after line 3, insert:

"(3) <u>A COVERED EMPLOYEE MAY NOT TAKE INTERMITTENT LEAVE</u> IN AN INCREMENT OF LESS THAN 4 HOURS.";

in line 4, strike "(3)" and substitute "(4)"; in line 9, strike "(1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A" and substitute "<u>A</u>"; and strike in their entirety lines 12 through 17, inclusive.

On page 21, after line 2, insert:

"(A) THIS SECTION DOES NOT APPLY TO AN EMPLOYER WHO IS AN INDIVIDUAL WITH A DEVELOPMENTAL DISABILITY, AND WHO SELF-DIRECTS

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SERVICES UNDER THE MARYLAND MEDICAID HOME- AND COMMUNITY-BASED SERVICES WAIVER PROGRAM.";

in line 3, before "**IF**" insert "<u>(B)</u>"; in line 11, after "**EMPLOYMENT**" insert "<u>HEALTH</u>"; and strike beginning with "**TITLE**" in line 12 down through "**ARTICLE**" in line 13 and substitute "<u>MAINTENANCE OF HEALTH BENEFITS IN THE FEDERAL FAMILY AND</u> <u>MEDICAL LEAVE ACT</u>".

AMENDMENT NO. 5

On page 7, strike beginning with "ENTERED" in line 13 down through "RENEWED" in line 14; and strike beginning with "ADOPTED" in line 14 down through "2022" in line 15.

On page 10, in line 8, strike "TO" and substitute "SUBJECT TO § 8.3–905 OF THIS TITLE, TO".

On page 11, in line 11, strike "IN" and substitute "SUBJECT TO § 8.3–905 OF THIS TITLE, IN".

On page 24, strike in their entirety lines 4 through 26, inclusive, and substitute:

"(A) IF AN EMPLOYEE BELIEVES THAT AN EMPLOYER HAS VIOLATED THIS TITLE, THE EMPLOYEE MAY FILE A WRITTEN COMPLAINT WITH THE SECRETARY.

(B) (1) WITHIN 90 DAYS AFTER THE RECEIPT OF A WRITTEN COMPLAINT, THE SECRETARY SHALL CONDUCT AN INVESTIGATION AND ATTEMPT TO RESOLVE THE ISSUE INFORMALLY THROUGH MEDIATION.

(2) (I) IF THE SECRETARY IS UNABLE TO RESOLVE AN ISSUE THROUGH MEDIATION DURING THE PERIOD STATED IN PARAGRAPH (1) OF THIS SUBSECTION AND THE SECRETARY DETERMINES THAT AN EMPLOYER HAS VIOLATED THIS SUBTITLE, THE SECRETARY SHALL ISSUE AN ORDER.

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(II) AN ORDER ISSUED UNDER SUBPARAGRAPH (I) OF THIS

PARAGRAPH:

<u>1.</u> SHALL DESCRIBE THE VIOLATION;

2. SHALL DIRECT, IF APPROPRIATE, THE RECOVERY OF LOST WAGES AND DAMAGES EQUAL TO THE AMOUNT OF WAGES, SALARY, EMPLOYMENT BENEFITS, OR OTHER COMPENSATION DENIED OR LOST, AND ANY ACTUAL ECONOMIC DAMAGES;

<u>3.</u> <u>MAY, IN THE SECRETARY'S DISCRETION, SEEK</u> <u>REINSTATEMENT OR THE HIRING OF EMPLOYEES WITH OR WITHOUT BACK PAY;</u> <u>AND</u>

<u>4.</u> <u>MAY, IN THE COMMISSIONER'S DISCRETION,</u> <u>ASSESS A CIVIL PENALTY OF UP TO \$1,000 FOR EACH EMPLOYEE FOR WHOM THE</u> EMPLOYER IS NOT IN COMPLIANCE WITH THIS TITLE.

(3) <u>THE ACTIONS TAKEN UNDER PARAGRAPHS (1) AND (2) OF THIS</u> <u>SUBSECTION ARE SUBJECT TO THE HEARING AND NOTICE REQUIREMENTS OF</u> <u>TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.</u>

(C) (1) WITHIN 30 DAYS AFTER THE SECRETARY ISSUES AN ORDER, AN EMPLOYER SHALL COMPLY WITH THE ORDER.

(2) IF AN EMPLOYER DOES NOT COMPLY WITH AN ORDER WITHIN THE TIME PERIOD STATED IN PARAGRAPH (1) OF THIS SUBSECTION:

(I) <u>THE SECRETARY MAY:</u>

1. WITH THE WRITTEN CONSENT OF THE EMPLOYEE, ASK THE ATTORNEY GENERAL TO BRING AN ACTION ON BEHALF OF THE EMPLOYEE IN THE COUNTY WHERE THE EMPLOYER IS LOCATED; OR SB0275/283522/01Finance CommitteeAmendments to SB 275Page 9 of 11

2. BRING AN ACTION TO ENFORCE THE ORDER FOR THE CIVIL PENALTY IN THE COUNTY WHERE THE EMPLOYER IS LOCATED; AND

(II) WITHIN 3 YEARS AFTER THE DATE OF THE ORDER, AN EMPLOYEE MAY BRING A CIVIL ACTION TO ENFORCE THE ORDER IN THE COUNTY WHERE THE EMPLOYER IS LOCATED.

(3) IF AN EMPLOYEE PREVAILS IN AN ACTION BROUGHT UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION TO ENFORCE AN ORDER, THE COURT MAY AWARD:

(I) THREE TIMES THE VALUE OF THE EMPLOYEE'S LOST WAGES AND DAMAGES EQUAL TO THE AMOUNT OF WAGES, SALARY, EMPLOYMENT BENEFITS, OR OTHER COMPENSATION DENIED OR LOST;

(II) <u>PUNITIVE DAMAGES IN AN AMOUNT TO BE DETERMINED</u> BY THE COURT;

- (III) REASONABLE COUNSEL FEES AND OTHER COSTS;
- (IV) INJUNCTIVE RELIEF, IF APPROPRIATE; AND

(V) <u>ANY OTHER RELIEF THAT THE COURT DEEMS</u> <u>APPROPRIATE.</u>";

and in line 27, strike "8.3-907." and substitute "8.3-906.".

AMENDMENT NO. 6

On page 25, after line 30, insert:

"SECTION 3. AND BE IT FURTHER ENACTED, That, on or before January 1, 2023, the Maryland Department of Labor shall report to the Senate Finance Committee and the House Economic Matters Committee, in accordance with § 2-1257 of the State Government Article, on whether a covered employee using benefits under the Maryland Family and Medical Leave Insurance Program established under § 8.3–301 of the Labor and Employment Article, as enacted by Section 1 of this Act, is also eligible for

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<u>Unemployment Insurance Benefits under Title 8 of the Labor and Employment Article</u> and the effect that dual eligibility has on employer ratings.

SECTION 4. AND BE IT FURTHER ENACTED, That the Maryland Department of Labor shall:

(1) conduct an actuarial study on the cost to maintain the solvency of the Family and Medical Leave Insurance Fund established under § 8.3–501 of the Labor and Employment Article, as enacted by Section 1 of this Act, to pay the benefits to covered individuals under the Maryland Family and Medical Leave Insurance Program established under § 8.3–301 of the Labor and Employment Article, as enacted by Section 1 of this Act; and

(2) on or before October 1, 2022, report the actuary's findings and recommendations to the Senate Finance Committee and the House Economic Matters Committee, in accordance with § 2-1257 of the State Government Article.

SECTION 5. AND BE IT FURTHER ENACTED, That, if a covered employee makes an hourly wage that is less than \$15.00 an hour, it is the intent of the General Assembly that the State pay the covered employee's required contribution under § 8.3–601 of the Labor and Employment Article, as enacted by Section 1 of this Act, to the Family and Medical Leave Insurance Fund established under § 8.3–501 of the Labor and Employment Article, as enacted by Section 1 of this Act.

<u>SECTION 6. AND BE IT FURTHER ENACTED</u>, That Section 5 of this Act shall remain effective for a period of 3 years and 6 months and, at the end of June 30, 2026, Section 5 of this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.";</u>

in line 31, strike "3." and substitute "<u>7.</u>"; and in the same line, strike "October 1, 2022" and substitute "<u>June 1, 2023</u>".

On page 26, after line 2, insert:

"<u>SECTION 8. AND BE IT FURTHER ENACTED</u>, That Sections 1, 5, and 7 of this Act shall take effect January 1, 2023.";

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in line 3, strike "4." and substitute "<u>9.</u>"; and in the same line, after "That" insert "<u>, except</u> <u>as provided in Section 8 of this Act,</u>".