

Commission on Caregiving_FAV_SB 539

Uploaded by: Adams, Dorinda

Position: FAV



Maryland Commission on Caregiving

"The Voice of the Caregiver"

February 27, 2020

The Honorable Delores G. Kelley
Senate Finance Committee
3 East Miller Senate Office Building
11 Bladen Street, Annapolis, MD 21401

Dear Chairwoman Kelley,

The Maryland Commission on Caregiving is pleased to submit **this letter of support for SB539 "Labor and Employment - Family and Medical Leave Insurance Program - Establishment"** also known as the "Time to Care Act." This bill would establish a Family and Medical Leave Insurance (FAMLI) program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, other family members¹ with serious health conditions or disabilities, or themselves. The proposed legislation results from the efforts made by the members of the 2016 Task Force to Study Family and Medical Leave Insurance which took careful consideration, research, and substantial input from relevant stakeholders when issuing its report and recommendations.

Supervised by the State Department of Labor and administered by the Division of Unemployment Insurance (DUI), this program would establish an insurance pool funded by a modest 50/50 contribution of both employers and employees and offer temporary wage replacement during the leave period ranging from \$50 to \$1000 per week. This is based on the employee's weekly wage and the State's average weekly wage with low-income employees receiving up to 90% of their weekly pay. It would also protect employees from retaliation from their employer in the form of discharge, discrimination or an adverse action.

Serving as "the voice of the Maryland caregiver," the Maryland Commission on Caregiving is charged with recommending policies that positively impact family caregivers, soliciting and responding to their concerns and acknowledging their contributions. Family caregivers provide the majority of care and financial support for their loved ones who are unable to care for themselves due to an illness, injury or disability. The passage of SB539 would better support

¹ The definition of "family member" mirrors the definition in the Maryland Healthy Working Families Act of 2017 and includes: a child, parent, spouse, grandparent, grandchild, or sibling. (Adoptive, foster, guardianship, in loco parentis, and step-relationships are included in these categories.)

Maryland's family caregivers by providing them with financial support and job protection in a time of need.

In 2014, there were an estimated 547,000 informal caregivers in the State of Maryland who provided an estimated 587 hours of caregiving services. The role is typically unpaid, and requires a great deal of physical, emotional, and financial sacrifice. The economic value of this unpaid care was estimated to be about \$5.8 billion.ⁱ The passage of SB539 would provide employees who take on these roles with some compensation to allow them to provide adequate care to themselves and their loved ones with diminished financial impact. Furthermore, it would align Maryland with eight other states and the District of Columbia which have already passed similar Family and Medical Leave Insurance Programs and solidify its place as a caregiver-supportive state.ⁱⁱ

The Maryland Commission on Caregiving works to ensure that caregivers across the lifespan are equipped with the resources needed to provide safe care to their loved ones across the state of Maryland. Passage of SB539 would support such efforts which is why the Commission respectfully urges a favorable report.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Eastman".

Jennifer Eastman, Chair
Maryland Commission on Caregiving

ⁱ Caregiving Across the States: 50 State Profiles (3014). State of the States in Family Caregiver Support. Retrieved from <https://www.caregiver.org/caregiving-across-states-50-state-profiles-2014>

ⁱⁱ Comparative Chart of Paid Family and Medical Leave Laws in the United States. A Better Balance. Retrieved from <https://www.abetterbalance.org/resources/paid-family-leave-laws-chart/>

Alexander_FAV_SB 539

Uploaded by: Alexander, Jill

Position: FAV

February 27, 2020

Jill Alexander
1900 Chapman Ave #513, Rockville, MD
JillSAlexander1@gmail.com

TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Jill Alexander

My name is Jill Alexander. I am a resident of Rockville and District 17 and a 31-year resident of Montgomery County. This testimony is in support of SB539.

Jewish values regarding employment and health converge to support the need for the Time to Care Act. Withholding wages is akin to taking a person's life. *Pikuach Nefesh*, the principle that preserving human life overrides almost any other religious rule, indicates how important health and attending to it is. We must ensure that employees in Maryland are allowed to care for their families in times of need without forcing them to choose between health and wages by passing the Time to Care Act.

My daughter works as a therapist for children with behavioral and mental health issues from low-income families. Although for privacy reasons she cannot discuss individual cases, time and again she has made clear 1) the sacrifices families make to support their children's health and often, 2) the choice a parent must make to neglect a child's health because the alternative is to forego wages that translate to rent and food.

Imagine the single mother, Maria*, who works the night shift earning minimum wage, struggling to make ends meet. Her son, Joshua*, has been seeing a therapist who tells Maria that her son is suicidal and she needs to take him to a crisis center. Joshua is assessed and admitted to a Partial Hospitalization Program (PHP) during school hours and maybe even an Intensive Outpatient Program (IOP) thereafter until 7pm because he needs a therapeutic environment and mental health support that school cannot provide. Maria needs to pick Joshua up from his program each day and remain with him throughout the night and whenever he is not in one of the programs. Joshua literally would be at risk of killing himself, if left unsupervised AT ALL. This could go on for weeks. Even a parent with plenty of support and resources would be panicked and afraid, but Maria's fear runs deeper. Does she miss work or even possibly lose her job, forgoing rent and food money, to care for Joshua? Or does she risk Joshua's life by "leaving [him] unattended where ... [he] is placed in substantial risk of harm," which could be considered child neglect according to the [Code of Maryland Regulations \(COMAR\)](#). No Maryland resident should have to answer that question, to make that "Sophie's Choice."

The Time to Care Act would allow Maria to focus on Joshua's recovery without worrying about losing income and potentially leaving her and her son without a home. **The replacement income from the public insurance fund might mean the difference between life and death for someone with a suicidal child or other critically ill family member.** Small contributions from BOTH employees and employers certainly ensure that the financial burden on everyone is light as compared to the benefit to Marylanders in dire circumstances.

You can help the Marias and Joshuas of Maryland by supporting the Time to Care Act, SB539. I respectfully urge a favorable report.

* The circumstances described comprise a composite of actual circumstances.

Allen_FAV_SB 539

Uploaded by: Allen, Laura

Position: FAV

February 20, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
Three East
Miller Senate Office Building
Annapolis, MD 21401

RE: Testimony in **Support of SB 0539** – *Labor and Employment – Family and Medical Leave Insurance Program – Establishment (Time to Care Act of 2020)*

Dear Chair Kelley:

I am writing in support of SB 0539, the Time to Care Act. As a working mother, caregiver, and nurse, I clearly understand the importance of paid family leave to my patients' economic security and health. Marylanders should not have to choose between losing their employment and caring for a newborn, adopted child, or sick family member. The majority of Marylanders do not have paid family leave through their jobs and more than half of our workers do not have access to unpaid family leave. Everyone should have time to care for loved ones who have health care needs, disabilities, or are affected by the military deployment of a loved one.

According to the Pew Research Center, of 41 developed countries, the United States is the only nation that does not have paid family leave. Our citizens face difficult choices and economic hardship, stress, and other burdens because they choose to leave employment to care for family members, but it does not have to be this way. A Harvard Business Review analysis shows that paid family leave would provide greater economic security for families, more workplace equality for women, and healthier families and businesses. Smaller businesses would be better able to compete with larger businesses, and Maryland companies would be more attractive to employees and more competitive in the national and global marketplace.

A poll commissioned by Maryland Family Network shows that 86% of all Maryland voters favor creation of a family and medical leave insurance program. The program has strong bipartisan support and would only cost workers three to five dollars a week in payroll deductions. Workers should have the right to partial wage replacement for up to 12 weeks to care for a new child, a sick loved one, or their own illness. Maryland should join other states who have passed paid family leave legislation and give its citizens the time to care. Thank you.

Sincerely,

Laura Allen, MA, MS, RN
1 Twig Place
Silver Spring, MD 20905
240-893-5920
lauralallen27@outlook.com

VictoriaBellard_FAV_SB539

Uploaded by: Bellard, Victoria

Position: FAV

SB 539: Time to Care Act**Statement of Victoria Bellard --- POSITION: FAVORABLE**

Good afternoon Chairwoman Kelley and Vice Chair Feldman,

My Name is Victoria Bellard, and I have been the sole caregiver for my 88 year-old father who is currently in the later stage of Alzheimer's disease. He has lived with me since I found out he was in a nursing home in Texas in July 2013. Prior to that, I had not seen my father since 1984. I rescued him out of that facility where he had been medically neglected and abused and brought him home to live with me in December 2013.

I bought my Dad home at a time when I was coming close to the end of would have been a 40 year career as an educator. Little did I know at the time, that I was about to embark on a second career that without FMLA, would have made it impossible for me to take care of my father, landed me in the hospital or worse.

In the beginning of my caregiving journey, I thought I could do it all. Make the daily 150 mile a day commute to work, work full-time, and take care of my father and household. Boy was I wrong! I began losing sleep and losing weight; I went down to 98lbs. Stress and anxiety became part of my daily way of living. Until one day a colleague who saw me wasting away suggested I take look into taking Family Medical Leave. It helped save my life. Thanks to the federal Family Medical Leave Act, I was able to juggle taking care of my Dad, home and work for a few years. But I was one of the fortunate ones. I could not begin to imagine the devastating toll not having FMLA would have had on the health of my father and I, as well as the loss income and ultimately my home.

Juggling the riggers and logistics of caregiving, home and work began to improve once I started using my FMLA. However, it was not without a new level of stress and concern....retaliation from my superiors. Despite running a successful and thriving program for teen parents, I was exsessed from my seven-year position as the program coordinator. The fact that the site I ran became the flagship site due to our graduation rate that, which was consistently higher than the national average among our population didn't matter. The fact that the direct result of the work I did allowed us to secure a 5 million dollar grant to expand the program from two sites to fifteen didn't matter. The fact that the program was chosen and evaluated by Mathematica and became an evidence based program didn't matter. I forced to leave the program that I helped build practically from scratch, poured my heart into and loved. Eventually, I had to take an early retirement. This resulted in a 55% pay cut and medical insurance premium almost 3x higher than what I was paying.

I urge a favorable report on this legislation, and the passage of a strong bill that protects the rights of Marylanders, so that they do not have to experience the injustices that I did. Please help us help care for our loved ones, maintain the dignity of work, and create a better Maryland.

ACY_FAV__SB 539

Uploaded by: Bevan-Dangel, Jennifer

Position: FAV

EQUITY FOR ALL KIDS



To: Finance Committee
From: Jennifer Bevan-Dangel, Executive Director
Re: SB 539; Labor and Employment - Family and Medical Leave Insurance
Program - Establishment
Date: February 27, 2020
Position: Support

Advocates for Children and Youth supports Senate Bill 539, which would provide parents (as well as other critical caregivers) with a paid leave program to take care of their children.

Extensive research has been developed that shows how critical the first three months are for the development of a baby's brain.¹ A secure, attentive home environment in the first three months impacts social, emotional, and intellectual development over the course of a child's life. This is also a critical time for parents to learn to care for their child, a transition that is often difficult and stressful even when the parent is able to stay home. Balancing work and parenthood, especially in those first few months, causes stress and anxiety for parent and child alike, and interrupts the critical bonding period.

Yet too often, economic realities prevent parents from making the decision over staying home or continuing to work post-partum. Nationally, just 35% of private sector working women and 11% of private sector working men have paid leave. Across all employment types, nationwide only 22% of women and 9% of men are employed at worksites that offer paid maternity leave to all female employees. While FMLA might provide some guaranteed leave for employees at larger employment sites, because the leave is unpaid it does not guarantee that parents can afford to take advantage of the time.

It is important to note that the bill is written inclusively, as there are many situations in which a parent may need to take time to welcome or care for a child. This includes not just birth and adoption but also foster placement and informal care placement. Ensuring a welcoming and secure transition into a new home for an older child, who often will be coming from a traumatic situation, is critical for providing the stable support that will help the child transition and succeed in his or her new home.

Senate Bill 539 would ensure that parents can afford to take the time they need to focus on their child, when that child needs them most. We urge a favorable report.

¹ <https://www.zerotothree.org/resources/204-the-child-development-case-for-a-national-paid-family-and-medical-leave-program>

Bevelaqua_FAV_SB 539

Uploaded by: Bevelaqua, Joan

Position: FAV

**Hearing Testimony February 27, 2020
Senate Finance Committee**

SB 539- Labor and Employment – Family and Medical Leave Insurance Program – Establishment

SUPPORT

Good afternoon madam Chair and members of the Senate Finance Committee. My name is Joan Bevelaqua and I have been an adjunct for over twenty years at a number of community colleges in Maryland. I have been a member of SEIU Local 500 since 2014 when I began working for Collective Bargaining for Adjunct Professors. I am here today to urge you to support SB 539 The Time to Care Act.

It was important for me to tell you my story in hopes that you will see the need for the Paid Family and Medical Leave Insurance Program. Four years ago, I was diagnosed with arthritis in my right hip joint. I put off the surgery for as long as manageable. My only time off from working at multiple colleges is the month break between fall and spring semesters, I teach all summer. My surgery was performed on December 17th but I had the unfortunate experience of fracturing my femur two weeks into recovery requiring additional surgery and instructions not to walk on the leg or drive for three months. I had no choice but to cancel my spring semester. This has left me with no income and the fear of not being reinstated since no adjunct has job security. If The Time to Care Act had been law when I was recovering from surgery it would have made a tremendous difference for me and my family. It would have made an already difficult situation much less stressful.

My story is not as tragic as others, I will recover, but knowing I had planned so carefully and still found to be in a circumstance that I had not anticipated makes The Family and Medical Leave Insurance Program more relevant to me and so many other working Marylanders. That is why this committee and the Maryland General Assembly MUST act and pass the Time to Care Act during the 2020 legislative session. I ask that you support SB 539 urge a favorable committee report. Thank you for your time!

Respectfully submitted,
Joan Bevelaqua
SEIU Local 500

Kildee_FAV_SB 539

Uploaded by: Bevelaqua, Joan

Position: FAV

Hearing Testimony February 27, 2020
Senate Finance Committee
Service Employees International Union, Local 500, CtW, CLC

SB 539– Labor and Employment – Family and Medical Leave Insurance Program – Establishment

SUPPORT

My name is Dolly Kildee. As a paraeducator in Montgomery County Public Schools, I was an active member of SEIU Local 500 for twenty years, and after my retirement assisted in establishing a Retirees Council for Local 500. I'm here today to testify in support of SB 539 – the Time to Care Act.

Some decades ago, my mother-in-law moved in with my three children, my husband and me. Mrs. Kildee had multiple chronic health conditions, among them dementia. At that time I was not in the paid workforce and became her primary caregiver. This involved help with acts of daily living, doctors' visits, medication management and more. I know firsthand of the resources used in caring for a parent, resources that include time, money and social support, among others.

In 2015 my husband of 52 years was diagnosed with cancer. Through many setbacks, Brian fought this disease aggressively. When our children were with him during chemo, before and after surgery or during a procedure, he was worried that they were missing work. Such worries used energy that could have been directed toward healing. There was a large discrepancy between prognosis and reality, and unfortunately less than four months elapsed between diagnosis and death. For that reason, we did not have time to address the need for extended time off from work. But had we had that time and had any of my children been able to avail themselves of it, it would have afforded him a bit more peace of mind.

When I first thought about testifying at this hearing I became tied up in the details, in the interest of transparency and honesty. Envisioning a future health crisis, not a fun exercise, that would require my children taking time away from their jobs. Assessing the specifics – a child who lives in Maryland and works in DC, another who lives in DC and works in Maryland. Working to discern if I could speak to how I, as a retired Maryland state tax payer, could potentially benefit from this law.

I don't know if I personally would benefit from this law, and I hope I never have to find out. That is not the issue. The issue is that a family going through a health crisis is a family in need. This benefit would provide a much needed and appreciated resource, at a time when it is needed most. I strongly urge this committee to support SB 539 and give this bill a favorable committee report.

Respectfully submitted,
Dolly Kildee
SEIU Local 500

SB 539UULM Beyler 2020

Uploaded by: Beyler, Craig

Position: FAV



Unitarian Universalist Legislative Ministry of Maryland

Shared Voices for Liberal Religious Values in Maryland

TESTIMONY IN SUPPORT OF SB 539:

Labor and Employment – Family and Medical Leave Insurance (FAMLI) Program Act

TO: Senator Delores Kelley, Chair, and members of the Finance Committee

FROM: Craig Beyler, Chair, Task Force for Economic Justice, Unitarian Universalist Legislative Ministry of Maryland

DATE: February 18, 2020

As a community of faith, Unitarian Universalists affirm the dignity and worth of all people. It's a bedrock principle that we hold dear and promote throughout the community. There is a dignity that arises out of caring for one's family.

All workers should be able to take paid leave for newborn children and family illness. Existing law calls for leave but does not provide for paid leave. For many Marylanders, taking unpaid leave is simply not possible. They live paycheck to paycheck. Family and Medical Leave should be for every Marylander, not just the affluent. We don't want Marylanders to face impossible choices between job and family.

The bill provides for paid Family and Medical Leave through an insurance program administered by the state and funded by the employer and the employee. This is a common-sense approach that has worked for other forms of statewide insurance (like unemployment insurance).

This is a common-sense solution to a statewide problem and supports families throughout the State of Maryland. Please support SB539, Family and Medical Leave Insurance (FAMLI) Program Act.

AARP_FAV_SB539

Uploaded by: Bresnahan, Tammy

Position: FAV

**SB 539 Labor and Employment – Family and Medical Leave Insurance Program –
Establishment
FAVORABLE
Senate Finance Committee
February 27th, 2020**

Good Afternoon Chairwoman Kelley and Members of the Senate Finance Committee. I am Tammy Bresnahan. I am the Director of Advocacy for AARP MD. AARP Maryland is one of the largest membership-based organizations in the Free State, encompassing almost 900,000 members. **AARP MD overwhelmingly supports SB 539 Labor and Employment – Family and Medical Leave Insurance Program – Establishment.** We thank Senator Hayes for sponsoring SB 539.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse.

SB 539 establishes a Family and Medical Leave Insurance (FAMLI) program through which employees may take up to 12 weeks of paid leave from their jobs to care for new child or other family members with serious health conditions or disabilities, or themselves. The program provides wage replacement during the leave period ranging from \$50 to \$1000 per week. The benefit level is calculated based on the employee's weekly wage and the State's average weekly wage. In general, the amount received by low-income employees reflects a higher percentage of their total wages.

Wage replacement benefits are drawn from a fund pool into which employers and employees contribute. Contributions are mandatory and are calculated based on the employee's wages. The FAMLI program is supervised by the State Department of Labor (DLR) and administered by Division of Unemployment Insurance (UI). (FAMLI and UI are conceptually and administratively similar.) The rates of employee and employer contributions to the FAMLI insurance pool must be sufficient to fund the benefits and administer the program. Experience from other states suggests that the shared contribution will total approximately 0.5% of the employee's wages. An employee is eligible for FAMLI benefits if the employee:

- Is caring for a newborn child or child newly placed for adoption or foster care;
- Is caring for a family member with a serious health condition or disability;
- Has a serious health condition that makes the employee unable to perform his or her job;
- Is caring for a military service member who is next of kin; and
- Has a specified need resulting from the military deployment of a family member.

SB 539 also specifies that the definition of "family member" mirrors the definition in the Maryland Healthy Working Families Act of 2017 and includes: a child, parent, spouse, grandparent, grandchild, or sibling. (Adoptive, foster, guardianship, in loco parentis, and step-relationships are included in these categories.)

Only 1 in 7 workers in the private sector has employer-provided paid family leave, according to the Labor Department. Among [caregivers](#) who left the workforce, just over half say they quit their jobs because they did not have the flexibility to keep working and provide elder care. Whether giving or receiving care, older workers are likely to need the time, access to health benefits, and job security that the Family Leave Act provides.

AARP believes Maryland has made strides in supporting Maryland's 770,000 family caregivers, however, we still have work to do to enable workers to take care of themselves and their loved ones—passing the Maryland Family Leave Act is one way to provide these protections to more workers and the broader range of family members who are taking on caregiving responsibilities.

What we know, the absence of paid leave in the Family and Medical Leave Act has led a number of state and local governments to step in to fill some of the gap. California, New Jersey, [New York](#), Rhode Island, Washington State and Washington, D.C., require some paid family leave.¹

Current labor force trends of an aging workforce are especially pronounced for older working women—those most likely to also be family caregivers. The percentage of women ages 55 and older who work is expected to increase from 28.5 percent in 2013 to 35.1 percent in 2022. During the same period, the percentage of working women over age 64—those most likely to be caring for a spouse—is expected to increase from 14.4 percent to 19.5 percent.

These shifts toward older women in the labor force can add to family incomes and greater savings for retirement as well as contribute to overall economic growth. Yet, as women work outside the home to make ends meet and contribute to the economy, the demands and pressures of working families to balance work, caregiving, and other family responsibilities have grown.²

The economic consequences of reducing work hours, quitting a job to provide care, or taking an unplanned early retirement can be significant. Research shows that family caregivers who disrupt their careers or leave the labor force entirely to meet full-time caregiving demands can face substantial economic risk and short-term and long-term financial consequences by losing salary, personal retirement savings, eventual Social Security and retirement benefits, career opportunities, and overall financial well-being.³

Paid Family Leave offers (PFL) a solution to many of the pitfalls associated with unpaid leave. PFL helps workers remain at their jobs and continue as family caregivers—benefiting workers, employers, and the economy. For workers who take on family caregiving responsibilities but cannot afford adequate time off to do so, PFL can provide peace of mind when they need to take a period

¹ <https://www.aarp.org/caregiving/financial-legal/info-2019/paid-family-leave-laws.html>

² Lynn Friss Feinberg, AARP Public Policy Institute
<https://www.aarp.org/content/dam/aarp/ppi/2018/08/breaking-new-ground-supporting-employed-family-caregivers-with-workplace-leave-policies.pdf>

³ Ibid

of time away from work. For employed family caregivers, PFL can also promote economic security—a key component of social determinants of health.⁴

Research shows that PFL is an important factor in employment recruitment and retention, which can improve productivity and reduce absenteeism. Experiences of businesses in the first three states to enact PFL laws—California, New Jersey, and Rhode Island—show that once employers have implemented PFL benefits, they are generally supportive of paid leave, and indicate that PFL laws have had negligible to positive impacts on worker productivity, turnover, and morale. In a California study, small and medium businesses (those with fewer than 50 employees and those with 50 to 99 employees, respectively) reported the most positive outcomes—even more than large companies. About two in three of the companies reported that they dealt with employee leave-taking by assigning work temporarily to other workers; one-third said they hired temporary replacements. Research suggests a relationship between paid leave and job retention. Higher retention rates usually mean saved separation costs when an employee leaves the job.⁵

Managing paid work alongside providing care for an adult or aging family member with a serious health condition or disability can be stressful for employed caregivers when their needs are not being met by existing workplace policies. Because most family caregivers now hold paying jobs too, employed caregivers need access to workplace leave benefits that enable them to fulfill both their caregiving and paid work responsibilities.

Workers should not have to choose between keeping their jobs and providing care to a seriously ill family member when they need it the most. Without a paycheck to cover the basic costs of living while providing care, low-wage workers are particularly vulnerable. They tend to have the least access to paid time off for caregiving needs and cannot afford to take unpaid family leave. States are leading the way.

Given the aging of the population and the workforce, caregiver-friendly policies—such as PFL and paid sick days—are important for maintaining both economic growth and a worker’s own economic security. Workplace leave policies are a sound investment for employers and for America’s working families with caregiving responsibilities.

AARP recommends that states should take the lead and implement policies that strengthen financial security for employed family caregivers. We encourage a FAVORABLE report on SB 539. If you have questions please contact Tammy Bresnahan at tbresnahan@aarp.org or by calling 410-302-8451.

⁴ Ibid

⁵ Ibid

Brice_FAV_SB 539

Uploaded by: Brice, Tanya

Position: FAV

Testimony Concerning SB 539
“Labor and Employment - Family and Medical Leave Insurance
Program - Establishment”
Submitted to the Senate Finance Committee
February 27, 2020

Position: Support

Good afternoon my name is Tanya Brice and I support SB 539 “Labor and Employment - Family and Medical Leave Insurance Program – Establishment.” I live in Owings Mills, Maryland District 11. I am a social worker and a single mother of three. I have a son named Jarod who is 20 years old and two eight-year-old twins named Mason and Morgon. One of my twins has autism and an intellectual disability. Like any mother they require a lot of my time but are the love and the light of my life. You may have read my story in *The New York Times* a couple weeks ago in an article about the “sandwich generation” – that is the millions of Americans who are caring for both their aging parents and their own young children.

About five years ago, when my twins were still toddlers, my mother moved in with us to our apartment. My mom was medically fragile — she had both hepatitis C and diabetes and was unable to fully care for herself. The time it takes to navigate the system, research, and visit assisted living facilities is enormous but necessary to make sure our loved ones are safe and well cared for.

For example in 2017 after several falls I worked with North West Hospital to place my mom in assisted living. It was confirmed after three weeks they were feeding their patients bread & syrup and didn’t provide basic care. As a result she had to return to my home. Unfortunately Medicaid wouldn’t pay for a home health aide, so I had to pay for that out of pocket. As I mentioned I’m a social worker and while I love my job I really struggled financially on a social worker’s salary at that time. I remember the week my mother was moving in. I had to get her ventilator set up and make sure she had a bed. It was very stressful because I couldn’t take time away from work. I needed that paycheck or I couldn’t have afforded to do any of the things my mom needed much less pay the rent, buy the groceries, and provide the necessities for my own children. I would do anything for my family but needless to say my budget and my schedule were both close to the breaking point. Being able to count on receiving a partial wage replacement while I was taking time away from work to get my mother settled would have meant that I wouldn’t have to choose between being there financially for her or being there to help care for her. My mother has since passed away. I wish I could have been there with her more during those last few weeks of her life without being torn between the choice of a paycheck or my family.

Paid Family Leave would have meant that I wouldn’t have had to choose. It would have allowed me to be at home with my mother when she needed me. It would have lessened the financial burden of paying for a home health aide so my kids could have had the food security they needed. It would have allowed me to be more present for all my children including Mason who has special needs requiring extra attention. It would have allowed me to be what we all want to be --- a loving parent and a loving caregiver for our aging parents.

I never thought my story would be in *The New York Times*. I just wish it was for a reason other than Americans not having the supports they need to work and care for loved ones. I started off by saying that I am a social worker and a mom. So it is in my nature to fight for what’s right and not give up until everyone has what they need. Maryland needs Time to Care.

Attachment: [“It’s Pretty Brutal”: The Sandwich Generation Pays a Price The New York Times February 11, 2020.](#)

POG_Ken Capone_FAV_SB539

Uploaded by: Capone, Ken

Position: FAV



Senate Finance Committee

Testimony in Support

SB 539: Labor and Employment – Family and Medical Leave Insurance Program – Establishment

February 27, 2020

By: Ken Capone

Hello committee members. My name is Ken Capone. I am the Public Policy Director for People On the Go which is Maryland's statewide self-advocacy organization. We are here to testify in support of SB539 - the Family and Medical Leave Insurance Program.

As many you are probably aware, nearly all of us will need to take leave at some point, whether to care for a family member's or our own serious medical condition or disability, or the joyous occasion of welcoming a new child. Without access to paid leave, workers often face a difficult and unnecessary decision, health and family, or work and making ends meet. Not now but in the past, my mother had to take off work to care for me if I got sick or my support needs intensified, or even longer when I had surgery, I know it was a hardship for us. It would have been nice to have something like this back then.

More than 70% of family members caring for a person with Intellectual and or Developmental Disabilities report that caregiving interfered with their work and the odds of an employee losing income increases by 48% if the person lives with a child with disabilities and by 29% if the person lives with and supports an adult with disabilities. That is a significant amount of people experiencing economic hardship. When people having access to dedicated paid family leave, it reduces the odds of losing income by 30%.

As more people with intellectual and or developmental disabilities are supported to work, these additional benefits are important. People with disabilities need leave for the same reasons as all other workers and in the US addressing one's own health condition or disability makes up 55% of all leave taken. People with disabilities are more likely to be employed in low-wage, part-time jobs that provide fewer supports. Access to paid leave increases opportunities for people with disabilities so that we can be supported when needs intensify Just like I did from time to time. The benefits to people with disabilities and their families are clear. Both the person that is sick and the person that is caring for them have time they need to be together and get or give support. They will be less stressed which in turn speeds up the healing process. In conclusion, SB539 gives people with disabilities the comfort of knowing that they shouldn't feel guilty anymore because they may need extra care from a family member from time to time and it won't be a hardship on the family.

We concur with the testimony provided by The Arc of Maryland in that the provisions of this legislation need to come into compliance with established FMLA regulations; as well as the provisions outlined within the Maryland Healthy Working Families Act (sick and safe leave). Finally, we strongly believe that if the state wants to pass this legislation - which our leadership wholeheartedly supports - there must be funding for developmental disabilities supports and services so that we can be compliant with the legislation as it is intended.

HB 839 FAMLI

Uploaded by: Cavanagh, Terrence

Position: FAV



Testimony in Support of HB 839

Family and Medical Leave Insurance (FAMLI)

House Economic Matters Committee

February 24, 2020, 1:00 PM

Submitted by Terrence Cavanagh, Executive Director

SERVICE EMPLOYEES INTERNATIONAL UNION MARYLAND & DC STATE COUNCIL

On behalf of Service Employees International Union, Maryland and DC State Council, I am pleased to offer our organization's **support** for **HB 839, *Family and Medical Leave Insurance (FAMLI) Legislation***.

With over two million members, the Service Employees International Union is the largest union in North America. We are focused on uniting workers in the key service sectors to improve our lives and the services we provide. In Maryland and DC, the seven SEIU locals that make up our State Council represent over 45,000 Health Care, Property Service, and Public Service Workers.

HB 839 or the Time to Care Act would make a great positive difference in the lives of thousands of our members and enhance stability in most of their families lives by removing the anxiety about becoming sick or not be able to care for a newborn child or sick child.

Passing this legislation would create stability in the lives of our workers, families, employers and communities. We can follow the several other states that have passed similar legislation and join the many others that are moving this issue forward.

The Time to Care Act is a reasonable, common-sense proposal that can make a dramatic difference in our state at a reasonable cost. With a .70 cap in costs, split evenly between workers and employers, it breaks down to a cost of about than 5 cents per hour for a worker making \$15 per hour, with an equal amount paid by an employer.

We all hope that sickness or disability doesn't strike our family, although we know the odds are that it will either strike us or someone close to us. You can take action to make a difference. Please take that step.

SEIU urges a **favorable** report of **HB 839**.

Thank you.

SEIU_FAV_SB539

Uploaded by: Cavanagh, Terrence

Position: FAV



Testimony in Support of SB 539

Family and Medical Leave Insurance (FAMLI)

Senate Finance Committee

February 27, 2020, 1:00 PM

Submitted by Terrence Cavanagh, Executive Director

The chance of being laid low with a killer virus has certainly gotten our attention recently.

On behalf of Service Employees International Union, Maryland and DC State Council, I am pleased to offer our organization's **support** for **SB 539, *Family and Medical Leave Insurance (FAMLI) Legislation.***

With over two million members, the Service Employees International Union is the largest union in North America. We are focused on uniting workers in the key service sectors to improve our lives and the services we provide. In Maryland and DC, the seven SEIU locals that make up our State Council represent over 45,000 Health Care, Property Service, and Public Service Workers.

SB 539, or the Time to Care Act, would make a great, positive difference in the lives of thousands of our members and enhance stability in most of their families' lives by removing the anxiety about becoming sick or not having the time to care for a newborn child or a sick dependent.

Passing this legislation would create stability in the lives of Maryland's workers, families, employers and communities. We can follow several other states that have passed similar legislation and join the many others that are moving this issue forward.

The Time to Care Act is a reasonable, common-sense proposal that can make a dramatic difference in our state at a reasonable cost. With a .70 cap in costs, split evenly between workers and employers, it breaks down to a cost of about five cents (\$.05) per hour for a worker earning \$15 per hour, with a share matched by her or his employer.

We all hope and pray to be spared the devastation of a debilitating disease, injury or illness, though we know the odds are that someone we know will. You can make a difference. We urge you to take that step.

SEIU urges a **favorable** report of **SB 539**.

Thank you.

NASW_FAV_SB 539

Uploaded by: Ciekot, Ann

Position: FAV

Testimony before Finance Committee
****Support****

SB 539 – Labor and Employment – Family and Medical Leave Insurance Program – Establishment

February 27, 2020

Maryland’s Chapter of the National Association of Social Workers (NASW – MD), which represents professional social workers across the state, supports SB 539 – Labor and Employment – Family and Medical Leave Insurance Program – Establishment.

The establishment of a Family and Medical Leave Insurance (FAMLI) program in Maryland would allow families to take up to 12 weeks of paid leave to care for the birth or adoption of a child, family members with serious health conditions or disabilities, family members who are leaving for military deployment, or for their own health conditions.

Many Social Workers work on a fee-for-service basis. When faced with a new child or serious health condition, they are forced to choose between working and taking care of family members or themselves. The loss of this income can be detrimental to the worker and their families in a time of heightened need. SB 539 would be beneficial to the workers NASW – MD represents who spend their time serving the community. It would also benefit the self-employed workers in Maryland, including many social workers running individual practices. 2018 census data reports 8.4% of Maryland’s workers are self-employed.¹ Social Workers and other individual business owners will be able to opt into the Family and Medical Leave Insurance program and continue to support their families when extra care is needed.

Marylanders should not have to choose between caring for their family and keeping a roof over their heads. The majority of employees in the United States do not have access to paid family leave.² SB 539 would especially benefit low-wage workers who disproportionately lack access to this benefit. For these families, lost pay can mean losing the ability to pay the rent or electric bills. Implementing a paid family leave program increases health, housing, and financial security of Marylanders living in or near poverty.

Access to paid Family and Medical Leave is a social justice issue. In 2018, full-time male employees made 1.27 times more than female employees in Maryland.³ People of color on average earn significantly less than white workers and women of color are more likely to be the breadwinner and caregiver for their family.^{4,5} These economic disparities make it increasingly difficult for people of color and female-headed households to accommodate lost wages when family members need additional care. SB 539 will improve racial equity in the workplace and help families facing heightened barriers stay housed and healthy.

(over)

Maryland's future depends on its youngest residents. Recent advances in early childhood development research tell us that early relationships and experiences give children the skills they need to remain healthy and to succeed in school, relationships and in the workforce as they age. When parents are able to take leave to care for family members without the added stress of lost wages, children experience stable and positive relationships at home. SB 539 is critical to getting Maryland's children off to a strong start to become healthy and productive members of the community.

We ask that you give a favorable report on SB 539.

Respectfully,

Daphne McClellan, Ph.D., MSW
Executive Director, NASW – MD

¹U.S. Census Bureau. *American Community Survey: Industry by Occupation for the Civilian Employed Population 16 Years and Over, 2018*.

https://data.census.gov/cedsci/all?g=0400000US24&t=Industry%3AOccupation&tid=ACST1Y2018.S2405&vintage=2017&y=2018&hidePreview=false&cid=S2405_C01_001E

²U.S. Bureau of Labor Statistics. (2018, September). *National Compensation Survey: Employee Benefits in the United States, March 2018*. <http://www.bls.gov/ncs/ebs/benefits/2018/employee-benefits-in-the-united-states-march-2018.pdf>;

³Data USA. (n.d.). *Maryland*. <https://datausa.io/profile/geo/maryland#education>

⁴The Center for Law and Social Policy (CLASP).

https://www.clasp.org/sites/default/files/publications/2018/12/2018_pfmliscriticalfor_0.pdf

⁵National Partnership for Women and Families. <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>

NCADD_FAV_SB 539

Uploaded by: Ciekot, Ann

Position: FAV



Senate Finance Committee

February 27, 2020

Senate Bill 539

**Labor and Employment - Family and Medical Leave Insurance Program -
Establishment**

Support

NCADD-Maryland supports Senate Bill 539 – Labor and Employment – Family and Medical Leave Insurance Program – Establishment. The creation of a Family and Medical Leave Insurance (FAMLI) program in Maryland would allow families to take up to 12 weeks of paid leave to care for the birth or adoption of a child, family members with serious health conditions or disabilities, family members who are leaving for military deployment, or for their own health conditions.

For families dealing with substance use disorders, this bill would allow people who are in treatment or supporting a family member in treatment to take time off from work and focus on beginning the recovery process. People may need time off of work in order to take part in a residential program, or even an intensive outpatient program. People may need time off to support a family member in intensive treatment. The family member may need assistance with transportation and keeping track of appointments with counselors, case managers, and other health care providers.

With only one in ten people with a substance use disorder accessing treatment, policies like FAMLI will help people keep their jobs, keep their incomes, and find recovery. We urge a favorable report on Senate Bill 539.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.

TheFamilyTree_FAV_SB539

Uploaded by: Cronin, Patricia

Position: FAV



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2108 North Charles Street
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P: 410.889.2300
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familytreemd.org

Raising families up.

24-hour Parenting Helpline:
1.800.243.7337

February 27, 2020

The Honorable Delores Kelley
Chairwoman, Senate Finance Committee
3 East, Miller Senate Building
11 Bladen Street
Annapolis, Maryland 21401

Support SB 539 (Time to Care Act) - Labor and Employment – Family & Medical Leave Insurance Program - Establishment

Dear Chairwoman Kelley & Vice Chairman Feldman,

Please make **time to care** a reality in Maryland by establishing the Family & Medical Leave Insurance Program (Time to Care Act). This would make paid leave available for Maryland workers for up to twelve weeks following the birth or adoption of a child or when needed to provide care for a family member or oneself.

Everyone needs time to care for new babies, aging parents, loved ones with health needs or disabilities, or for helping oneself. Yet, many Marylanders, including staff of The Family Tree, cannot take time to care because they lack paid family leave or the financial resources to use unpaid leave. Only 17% of U.S. workers have access to paid family leave, and fewer than 40% have paid personal leave for short term disabilities. Unpaid leave forces too many Marylanders to choose between income and family needs. This is particularly true to the vulnerable, economically disenfranchised folks we are committed to serve, as well as the forty-five staff we employ.

The Family Tree is Maryland's leading child abuse and neglect prevention organization, and the Maryland Chapter of Prevent Child Abuse America. With education and family support, we help parents and the community provide sturdy foundations for every child's development. More than 23,000 people received help through our parenting classes and programs in 2019.

Thank you for your consideration. I urge a favorable vote on SB539. You will be supporting Maryland's most critical assets—our families.

Sincerely, Patricia K. Cronin, LCSW-C

Executive Director

JOTF_FAV_SB539

Uploaded by: Dews, Christopher

Position: FAV



Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF SENATE BILL 539:
Labor and Employment - Family and Medical Leave Insurance Program -
Establishment

TO: Hon. Delores Kelley, Chair, and Members of the Finance Committee

FROM: Christopher Dews, Policy Advocate

DATE: February 27, 2020

The Job Opportunities Task Force (JOTF) is an independent, nonprofit organization that advocates for better jobs, skills training, and wages for low-income workers and job seekers in Maryland. JOTF strongly supports Senate Bill 539 as a means to ensure that hardworking Marylanders can take family and medical leave without having to risk their job, paycheck or financial security.

According to the U.S. Bureau of Labor Statistics, nationally, in 2018, 16% of workers in private-industry businesses had access to paid family leave. Family leave is granted to an employee to care for a family member and includes paid maternity and paternity leave. Low-wage workers or those who worked in small businesses were less likely to receive paid family leave.

The Pew Research Center performed a study on paid family and medical leave based on two nationally representative online surveys conducted in 2016. The study found that 27% of adults employed in the previous two years reported taking parental, family, or medical leave during that period, while 16% said they needed or wanted to take these types of leave during that period but were unable to do so. The Pew Research Center reports blacks and Hispanics, those without a bachelor's degree, and those with annual household incomes of less than \$30,000 are more likely than whites and those with more education or higher incomes to say they were not able to take leave when they needed or wanted to. According to the 2016 survey, employees that received only some pay or no pay when they took family or medical leave did the following: 78% reduced spending; 41% shortened their leave duration; 37% took on debt; 33% delayed paying their bills, and 17% went on public assistance.

This lack of paid family and medical leave drives families below the poverty level. Too often, the pay gap that occurs when a new mother must take unpaid leave after giving birth, combined with the increasing expenses of child care, sets families back for years to come. One study found that a significant share of bankruptcies follow a worker missing two or more weeks of work due to illness, or the illness of a family member. The lack of paid family and medical leave threatens the employment security of millions of workers because it reduces the chances that an individual will stay employed at their current job. The reality is that most workers have caregiving responsibilities at one time or another, but lack the workplace support to balance these obligations with work. The benefits of paid family and medical leave would be largest for those with limited education and lower incomes, as these workers currently have the lowest levels of access to any form of leave, paid or unpaid.

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

Paid family leave has been very successful in other states, most notably, California. For workers in low-quality jobs, PFL increased job retention and financial security, and workers reported a positive effect on their ability to care for a new child. Since California's success, eight states plus the District of Columbia have enacted legislation to create state paid family and medical leave insurance programs. It is time for Maryland to join these states.

Senate Bill 539 seeks to do just this, by establishing a Family and Medical Leave Insurance Fund under the supervision of the Secretary of the Division of Unemployment Insurance at MDL. When taking unpaid or partially paid family or medical leave, the fund would provide a weekly benefit of up to 50% of wages (not to exceed \$1,000) for a maximum of 12 weeks per year. The fund would be fully funded by both employee and employer contributions, placing no additional financial burden on employers.

We urge a favorable report of Senate Bill 539, as it would ensure that millions of hard-working Marylanders, in particular low-income workers who are least able to lose even a single paycheck, are able to take necessary time off for family and medical life events without the risk of falling into poverty. This bill brings us one step closer to a more prosperous and vibrant economy in Maryland, where all workers have the necessary workplace supports to thrive and successfully balance work and life.

SB539_ FAMILI Establishment (1)

Uploaded by: Dews, Christopher

Position: FAV



Advocating better skills, jobs, and incomes

TESTIMONY IN SUPPORT OF SENATE BILL 539:
Labor and Employment - Family and Medical Leave Insurance Program -
Establishment

TO: Hon. Delores Kelley, Chair, and Members of the Finance Committee

FROM: Christopher Dews, Policy Advocate

DATE: February 27, 2020

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This lack of paid family and medical leave drives families below the poverty level. Too often, the pay gap that occurs when a new mother must take unpaid leave after giving birth, combined with the increasing expenses of child care, sets families back for years to come. One study found that a significant share of bankruptcies follow a worker missing two or more weeks of work due to illness, or the illness of a family member. The lack of paid family and medical leave threatens the employment security of millions of workers because it reduces the chances that an individual will stay employed at their current job. The reality is that most workers have caregiving responsibilities at one time or another, but lack the workplace support to balance these obligations with work. The benefits of paid family and medical leave would be largest for those with limited education and lower incomes, as these workers currently have the lowest levels of access to any form of leave, paid or unpaid.

JOTF JOB OPPORTUNITIES TASK FORCE

Advocating better skills, jobs, and incomes

Paid family leave has been very successful in other states, most notably, California. For workers in low-quality jobs, PFL increased job retention and financial security, and workers reported a positive effect on their ability to care for a new child. Since California's success, eight states plus the District of Columbia have enacted legislation to create state paid family and medical leave insurance programs. It is time for Maryland to join these states.

Senate Bill 539 seeks to do just this, by establishing a Family and Medical Leave Insurance Fund under the supervision of the Secretary of the Division of Unemployment Insurance at MDL. When taking unpaid or partially paid family or medical leave, the fund would provide a weekly benefit of up to 50% of wages (not to exceed \$1,000) for a maximum of 12 weeks per year. The fund would be fully funded by both employee and employer contributions, placing no additional financial burden on employers.

We urge a favorable report of Senate Bill 539, as it would ensure that millions of hard-working Marylanders, in particular low-income workers who are least able to lose even a single paycheck, are able to take necessary time off for family and medical life events without the risk of falling into poverty. This bill brings us one step closer to a more prosperous and vibrant economy in Maryland, where all workers have the necessary workplace supports to thrive and successfully balance work and life.

PJC_FAV_SB 539

Uploaded by: Dwork-Fisher, Sally

Position: FAV



Sally Dworak-Fisher
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1 North Charles Street, Suite 200
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SB 539

Labor and Employment

Family and Medical Leave Insurance Program – “Time to Care Act of 2020”

Hearing of the Senate Finance Committee, February 27, 2020

Position: FAVORABLE

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project works to expand and enforce the right of low-wage workers to receive an honest day’s pay for an honest day’s work. The PJC **SUPPORTS SB 539** and requests a **FAVORABLE** report.

Marylanders Need Time to Care for Serious Health Issues and Major Life Events.

We all need time to care—for new babies, for aging parents, for loved ones with serious health needs or disabilities, or for ourselves. While many Marylanders can now earn short-term earned leave under the Healthy Working Families Act (HWFA), that law does not help the thousands of Marylanders with longer-term health issues or with major life events, such as birth or adoption. In fact, in Maryland, even *unpaid* leave under the federal Family and Medical Leave Act is inaccessible for 56 percent of working people.¹ Moreover, without paid leave, many of those covered by FMLA cannot afford to take it. Marylanders need a paid family leave program.

SB 539 represents a common-sense solution to the very real struggles of working families.

SB 539 is a common-sense solution that would allow Maryland workers up to 12 weeks of leave following the birth or adoption of a child and when needed to provide care for a family member or oneself. The leave would be funded through an insurance pool, into which both workers and their employers would contribute. Unlike unemployment insurance, the cost of SB 539 would be shared equally by employees, and not be borne exclusively by employers.

¹ Nat’l Partnership for Women and Families, “Paid Leave Means a Stronger Maryland” Fact Sheet (2020), <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-leave-means-a-stronger-maryland.pdf>. *The Public Justice Center is a 501(c)(3) charitable organization and as such does not endorse or oppose any political party or candidate for elected office.*

SB 539 Appropriately Recognizes that Low-Wage Workers Need Maximum Wage Replacement. In addition to sensibly splitting contributions between employers and employees, SB 539's graduated wage replacement recognizes that lower-wage employees would be unable to afford to take leave absent nearly full wage replacement. Allowing up to 90% wage replacement for the lowest-paid Marylanders will ensure that the program is accessible to those who could otherwise not afford to participate.

Paid Family Leave is Good for the Economy and Good for Business. Paid family leave is not just good for families. Employees who know that they don't have to worry about taking time to care for a new child or a loved one with a serious illness are more productive and more loyal. And businesses thrive when employees are more productive.

For the foregoing reasons, the PJC **SUPPORTS SB 539** and urges a **FAVORABLE** report. Should you have any questions, please call Sally Dworak-Fisher at 410-625-9409 ext. 273.

Firnberg_FAV_SB 539

Uploaded by: Firnberg, Lisa

Position: FAV

February 27, 2020

Lisa Firnberg
338 Broadmoor Rd, Baltimore, MD 21212
Lisa.firnberg@gmail.com / (914) 672-4503

TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and members of the Finance Committee

FROM: Lisa Firnberg

My name is Lisa Firnberg, and I have lived and voted in Baltimore City since I moved to Maryland for college 18 years ago. I currently live in District 43. I have established my family roots here, and I submit this testimony in support of SB539 - the Time to Care Act.

When I gave birth to my daughter three years ago, I was relatively lucky. I had an easy pregnancy, an uncomplicated c-section, and my daughter spent just a few hours in the NICU to ensure her steady breathing. I was also lucky professionally. My employer supported my taking maternity leave, and assured me that my job would be waiting for me when I returned. It's a good thing, because I was the primary breadwinner for my family.

But what income would I have while I cared for my newborn baby? First, I made a claim to my short term disability policy, the premium for which I paid myself. That got me a few weeks to recover from major surgery. Then I used up most of my paid vacation and sick time. That got me a few more weeks. Then I dug into my savings and took a few weeks of unpaid time, which I was lucky to be able to afford.

I did okay. But too many other parents' stories are much, much different. **Someone's ability to care for their newborn baby during their first few months of life, a period often called "the fourth trimester," should not be subject to the generosity of their employer's leave policies, or their socioeconomic status.** The waitress working shifts at three different restaurants, the custodian cleaning office buildings at night, and the childcare worker who devotes her career to caring for all of our children, also need Time to Care - but for them, it is too often out of reach. I am horrified to know that they don't have the same choices, the same privilege, that I had when my child needed me.

This bill will benefit all of us who, at some point in our lives, will need to care for our children, ourselves, or other loved ones. No one should have to choose between caring for their family and keeping a roof over their heads and food on the table. We must debunk the myth that businesses cannot afford this. An insurance fund means that employees taking time off are paid by the fund, so employers can afford to pay others overtime or bring in temporary workers while their employee is out. Everybody wins: employers keep their experienced employees on staff, which reduces turnover costs; children and other ailing family members get the care they need; and most importantly, families don't fall apart.

Nine other states and the District of Columbia have passed Paid Family and Medical Leave programs. **The United States is one of two countries in the world without any paid maternity leave** policy - and we have worse health outcomes to show for it. You can make Maryland a place that honors the importance of family, while also doing what's right for our economy and the health of everyone who lives here. **I urge you to support SB539.**

Hayes_FAV_SB539

Uploaded by: Hayes, Antonio

Position: FAV

ANTONIO HAYES
Legislative District 40
Baltimore City

Finance Committee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 27, 2020

**Testimony of Senator Antonio Hayes in Support of SB 539:
Family and Medical Leave Insurance Program**

Chairman Senator Kelley and members of the Finance Committee,

It is with great pleasure that I reintroduce the Time to Care Act this session because I believe that almost all Marylanders, whatever their circumstances, will at some point in their lives, need extended time away from work to provide necessary care for a family member or for themselves. Despite this, only 17% of U.S. workers have access to paid family leave, and fewer than 40% have paid personal leave for short-term disabilities. Unpaid leave forces too many Americans, especially those whose needs are the greatest, to choose between income and family/self needs. Nearly 25% of women, for example, take 10 or fewer days of maternity leave, potentially putting themselves and their children at risk physically and emotionally. Families endure financial hardships, mental and physical distress. People suffer needlessly, none of which is helpful to employers either.

The Time to Care Act (**SB 539**), by establishing a Family and Medical Leave Insurance Program (FAMLI), would make paid leave available to Maryland workers for up to 12 weeks following the birth or adoption of a child and when needed to provide care for a family member or oneself. Support for this legislation crosses party lines and reaches all corners of the state. A state-wide poll of 654 Maryland registered voters was conducted February 13-20, 2019 identified extremely strong support for a proposed family and medical leave program. Eighty six percent of voters favor this proposal, while only 10% oppose it.

SB 539, administered by the state's Division of Unemployment Insurance, allows for time away from work with partial wage replacement to care for new babies/children, elderly dependents, other family members with health/(dis)ability needs, or to take care of ourselves. The definition of "family member" mirrors the definition in the Maryland Healthy Working Families Act of 2017 and includes: a child, parent, spouse, grandparent, grandchild, or sibling. Adoptive, foster, guardianship, in loco parentis, and step-relationships are all included in these categories.

Individuals filing claims must provide certification supporting the claim, for example from a doctor.

The program provides wage replacement during the leave period ranging from \$50 to \$1000 per week. The benefit level is calculated based on the employee's weekly wage and the State's average weekly wage. In general, the amount received by low-income employees reflects a higher percentage of their total wages. Costs associated with start-up and ongoing administration of the program are borne by the program fund itself. The fund will collect contributions for 18 months before providing payouts to recipients. Collections are to start January 2021, while benefits will not start to be distributed until July 2022.

SB 539 establishes a 50/50 split for employee and employer contributions. The legislation allows for employers family and medical leave benefits to use a private program as long as it provides equal to or exceeding those in the legislation. There is a combined contribution rate of no more than 0.7% of total wages. It also increases the salary ceiling for the 90% wage replacement level from 50% to 65% of state weekly wage. The self-employed can also enroll, and individuals can take intermittent leave, if necessary, meaning they could take their time off on non-consecutive days. However, employees may not take leave under this legislation and leave under FMLA consecutively, ie. leave "stacking" is not allowed. Based on experiences elsewhere, the average payroll deduction from each employee would be in the neighborhood of \$3 to \$4 a week.

A total of 8 other states and our neighbors in Washington DC have already enacted similar programs. California, New Jersey, and Rhode Island's programs have been established the longest.

It is important to note that allowing individuals an opportunity to care for a newborn or sick relative without losing their job or facing bankruptcy is a benefit that touches all of us. It's good for employers. It's good for families. It's good for keeping health care affordable. It's good for society at large. Paid family and medical leave means a stronger economy, healthier families and businesses, greater equity regardless of a person's job and more workplace equality for women.

I strongly urge a favorable report on SB 539.

Respectfully,



Senator Antonio L. Hayes
Chair, Baltimore City Senate Delegation
40th Legislative District - MD

Irwin_FAV_SB 539

Uploaded by: Irwin, Laura

Position: FAV



Testimony in Support of SB539
Labor and Employment – Family and Medical Leave Insurance Program – Establishment
Thursday, February 27, 2020

TO: The Honorable Delores G. Kelley, Chair; The Honorable Brian J. Feldman, Vice Chair; and Members of the Senate Finance Committee

FROM: Laura E. Irwin, Chair, Montgomery County Community Action Board

As advocates for the low-income community, the Montgomery County Community Action Board strongly supports SB539, which will establish a family medical leave insurance program in Maryland. Our Board has been a longtime advocate for policies and programs such as the EITC, childcare subsidies, and work supports that help people move towards self-sufficiency. We applaud the state's efforts in recent years to increase the Maryland minimum wage and to require employers with 15 or more employees to provide earned sick leave. Policy changes such as these help people find and maintain employment.

Establishing a statewide family and medical leave insurance program will provide critical support to lower-wage workers in particular because many of these workers do not earn enough, or do not earn any paid time off from work. These workers often find themselves confronted with challenging situations where they must miss work without pay due to their or their loved one's medical issue, possibly jeopardizing their employment, or continue to work during this difficult period in order to maintain a job. Our Board does not believe employees should have to make this choice. We also strongly believe that the lack of family leave in Maryland is a serious equity issue. While many higher-wage jobs offer generous benefits such as paid time off and medical insurance, lower-wage jobs often do not.¹ We also know that 31% of women here in Montgomery County, 44% of African Americans, and 54% of Hispanic residents have incomes below the Self-Sufficiency Standard.² These are many of the same workers who will benefit the most from the proposed family and medical leave insurance program.

In Montgomery County, where the cost of living is so high, the lack of family and medical leave is especially problematic. For example, the County's Self-Sufficiency Standard, which measures the actual cost of living in a given geographic location for a certain family type, is more than \$103,000 for a family of three with one working adult, one infant, and one preschooler. Finding employment that pays this very high income is incredibly difficult, especially when 18 of the 20 largest occupations in the County have incomes below this amount.³ Paid family and medical leave, along with other work supports, will help people maintain employment and help lower-wage workers receive necessary support that they do not receive from their employers.

The Community Action Board recommends that you pass SB539 and continue to explore other policies that support workers and help Marylanders move towards self-sufficiency.

¹ <https://www.bls.gov/news.release/ebs2.t06.htm>

² <http://www.selfsufficiencystandard.org/>

³ <http://www.selfsufficiencystandard.org/>

1199SEIU_FAV_SB539

Uploaded by: JONES, RICARRA

Position: FAV

PRESIDENT
George Gresham

SECRETARY TREASURER
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1199SEIU

United Healthcare Workers East

Testimony of Ricarra Jones, Political Director of 1199SEIU SB 539 – Family and Medical Leave Insurance Program - Establishment

Position: SUPPORT

February 27, 2020

Dear Chairwoman Delores Kelley and Members of the Senate Finance Committee:

1199SEIU Healthcare Workers East (1199SEIU) is the largest healthcare union in the country with, over 450,000 members throughout Massachusetts, New York, New Jersey, Maryland, Florida and Washington, D.C. **We fully support SB 539, which establishes a Family and Medical Leave Insurance (FMLI) program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves.**

Every day, the members of 1199SEIU save lives, deliver babies and care for the sick, seniors and people with disabilities. We are nurses, nurse aides, techs, lab workers, clerks, housekeepers, dietary workers, transporters, pharmacists, social workers and many other types of medical professionals. The members of 1199SEIU deserve to have the ability to also provide the care that is needed for their own family members, that could be related to the birth of a new child, an ill or disabled family member, family needs related to a service member's deployment, or their own serious health condition.

The United States is the only industrialized country that does not guarantee some form of paid family leave for workers. If Maryland passes this legislation, it would join either other states and the District of Columbia who already have paid family and medical leave laws on the books. It is important to note that none of these states have noted any significant issues with fraud or abuse of paid leave. In fact, evidence from California, New Jersey and Rhode Island – states with longstanding programs- indicates that abuse of paid leave is at best rare.

Finally, it is important to understand that no Marylander should have to be forced to choose between caring for family members and economic security. Without paid family leave, elders are dying alone; parents are struggling to care for their newborns, and families are confronting financial crisis because they lose income while they take on caregiving responsibilities. **We must do right by Maryland working families.**

For all of these reasons, we strongly urge the Committee to issue a FAVORABLE report for Senate Bill 539.

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Kangas_FAV_SB 539

Uploaded by: Kangas, Heather

Position: FAV

**Testimony in Support of Time to Care-- A Family and Medical Leave Insurance Program
HB 839 and SB 539
Heather Kangas LCSW-C February 2020**

My name is Heather Kangas. I am a Baltimore City resident and reside at 328 S Poppleton St Baltimore MD 21230 in the Pigtown neighborhood. I work as a Licensed Clinical Social Worker (LCSW-C) within walking distance from my home at a large, academic medical center. I have practiced as a medical social worker since 2014. During my career, I have worked on inpatient geriatric psychiatry, the adult and pediatric emergency department and now work with employees of the hospital.

I support the Time to Care Act, which establishes a Family and Medical Leave Insurance program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves.

I have witnessed many families and patients make sacrifices to their health because they do not have paid family leave. I have witnessed patients leave the hospital against medical advice for fear of missing a day of wages or being fired. I have also seen financially stressed employees attempt to return to work when they are still sick, injured or recovering. While on geriatric psychiatry, many of my patients had dementia and required constant supervision or placement at a skilled nursing facility or assisted living. Many families could not find time in their week to leave work and tour these facilities. Sometimes families would feel overwhelmed with discharge plans and follow-up appointments (psychiatric providers as well as adult day care and medical providers) that required them to be available in the middle of the day. While in the ED, I saw many pediatric patients with psychiatric and behavioral health issues. By law, parents have to come to the ED for their children to receive a psychiatric assessment and are required to be present for admission. Once children are admitted for psychiatric treatment, parents must be available for treatment team meetings and phone calls. This often makes parents have to miss work on multiple days and puts them in jeopardy of losing their jobs. These are not fair choices and it sets families up to fail.

I also recently had a colleague who works fulltime at my same institution write asking for a donation of vacation days. She had used all of her paid and unpaid leave to care for her sick 3 year old. She was desperate and exhausted and trying to balance a fulltime job.

Paid leave means that families do not have to choose between health care and employment. Families can give their full attention to the care of themselves and their loved ones instead of being expected to juggle both without adequate resources.

Thank you for your consideration. I urge establishment of paid family and medical leave in Maryland.

Respectfully,

Heather Kangas, LCSW-C

Kilby_FAV_SB 539

Uploaded by: Kilby, Adrienne

Position: FAV

Testimony in Support of SB 539 "Labor and Employment - Family and Medical
Leave Insurance Program - Establishment"
Submitted to the Senate Finance Committee
February 27, 2020

I am a geriatric social worker, working with older adults with dementia and their families. I frequently see 3 scenarios:

1. Family members being fired from their jobs because of having to take time off to care for a loved one with dementia. This happens even if they have a claim under FMLA.
2. Family members quitting their jobs or "retiring early" to care for a loved one with dementia. They frequently have major financial problems, requiring my assistance to keep their lights on, keep food on the table, and to avoid eviction. The family member loses their health insurance when they leave their jobs, just when they need extra close medical and mental health care.
3. People with dementia being left at home alone in unsafe situations, because the family cannot afford to stop working. I have seen my patients in this situation become injured, cause house fires, wander away and get lost, and countless times get scammed out of their lifelines by criminals who call them or stop by their homes.

Caregivers who are forced to choose between the financial stability of their family, and the safety and care of a person with dementia span the range of poor to middle class. They experience serious mental health problems because of the impossible situation they are in. I have personally intervened with several caregivers who felt so upset and trapped by their guilt over their loved one's safety and precarious financial situation that they became suicidal, putting the person with dementia, the caregiver, and their entire family at risk of further instability.

Time to Care is not only the morally correct thing to do; it makes sense for the economic and social stability of our society.

Adrienne Kilby, LCSW-C
Geriatric Social Worker
Legislative District 43
US Congressional District 7

WA- SB539 - Paid Family Leave

Uploaded by: Klingenmaier, Lisa

Position: FAV



Welfare Advocates

Founded 1979

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Senate Bill 539

Labor and Employment- Family and Medical Leave Insurance Program- Establishment

Senate Finance Committee

February 27, 2020

Support

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate ourselves, and the wider community and to advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates supports SB 539, which would establish a Family and Medical Leave Insurance (FAMLI) program in Maryland. This program allows families to take up to 12 weeks of paid leave to care for new children, family members with serious health conditions or disabilities, family members who are leaving for military deployment, or for their own health conditions.

The need to take time off is universal, but the ability to do so is not. The vast majority of employees in the U.S. do not have access to paid family leave.ⁱ SB 539 would be particularly beneficial to low-wage workers who disproportionately lack access to this vital benefit. For low-income families, just a few days of lost pay is equivalent to an entire month's grocery budget or rent payment. Implementing a paid family leave program – especially with a progressive pay structure as proposed in SB 539 – increases the health and financial security of Marylanders living in or near poverty.

No one should have to choose between caring for a loved one or paying the bills. FAMLI provides a safety-net for workers in unexpected circumstances. This bill would allow workers to comfort a dying parent, care for a newborn or adoptive child, or care for themselves during an unexpected illness. Low-wage workers typically have to face tradeoffs by forgoing wages and job security to take time off to care for their families. Broadening the scope of who can access this benefit also reduces the likelihood that low-income Marylanders will need to access safety-net programs – such as TCA or SNAP – if they are able to access paid leave.

Access to paid leave is a racial justice issue. People of color on average earn significantly less than white workersⁱⁱ and women of color in particular are more likely to be the breadwinner as well as caregiver for their familiesⁱⁱⁱ. Economic disparities make it harder for families of color to absorb financial emergencies, which in turn magnify their need for paid family leave. SB 539 presents an opportunity to improve racial equity in the workforce and in our communities.

For the reasons stated above, we respectfully urge a favorable report on SB 539.

Submitted by Lisa Klingenmaier

ⁱ U.S. Bureau of Labor Statistics. (2018, September). *National Compensation Survey: Employee Benefits in the United States, March 2018*. <https://www.bls.gov/ncs/ebs/benefits/2018/employee-benefits-in-the-united-states-march-2018.pdf>;

ⁱⁱ The Center for Law and Social Policy (CLASP). https://www.clasp.org/sites/default/files/publications/2018/12/2018_pfmliscriticalfor_0.pdf

ⁱⁱⁱ National Partnership for Women and Families. <http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf>

Krasnick_FAV_SB 539

Uploaded by: Krasnick, Jessica

Position: FAV

February 27, 2020

Jessica Krasnick
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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Jessica Krasnick

My name is Jessica Krasnick. I am a married public school teacher with 2 children under age 4. I live in Baltimore/Rosedale, Maryland in District 8. This testimony is in support of SB539.

As a Reform Jew, there are many reasons I am in full support of this bill. Mainly, the principle of supporting employees to maintain healthy families is imperative. The Union for Reform Judaism states that, "Jewish tradition speaks strongly to valuing workers' dignity as well as maintaining healthy families."

I am a public school teacher and have been teaching in Anne Arundel County Public Schools for nine years. Devoting myself to the service of our state's children is important to me. According to edweek.org, 77% of teachers in our country identify as female. These women not only care for public school children, but also wish to birth and care for their own children. With the low salary that teachers receive, deciding to have children is heart-wrenchingly difficult because they know that to fulfill their dream of having a family of their own, they must do so without pay when birthing and caring for a newborn. Teachers, myself included, sadly joke - "let's start trying for kids in September" so that the baby will be born in June, thus avoiding any lost wages. But as we all know it's not possible to plan, down to the month, when you will have children.

For me, my first child was born at the end of February 2016 and my second in May 2018. Both times, the amount of stress my family and I endured by not having my paycheck for so long in order to care for our children was incredibly difficult and likely contributed to my experiencing postpartum depression. According to a March 2018 study cited in postpartumdepression.org, one in seven women will experience postpartum depression. With my first child, I was one of those seven. Although postpartum depression is a chemical imbalance, there were many catalysts for me which brought this on. One of the catalysts was completely financial - due almost 100% to the stress caused by the fact that I was not being paid during that time.

We were unsuccessfully trying so hard to live on one salary. Then, when our precious new girl was three weeks old, we had some issues in our home that left it unlivable for us and our growing family. We had to move. We found a home that we could afford, but according to the mortgage lender, because I was currently not receiving any paychecks since I was out on FMLA (please never refer to this as maternity leave, it is not), I was considered unemployed and therefore my salary didn't count toward our mortgage approval. Had there been Paid Family and Medical Leave, we would have been able to get our mortgage approved, but because there wasn't, we suffered intensely during what should have been the happiest time in our lives.

Although there is so much more I could say about not being able to buy diapers, or the fact that every country in the world except the United States and Papua New Guinea have paid maternity leave, I will leave you with my story above. Having the added stress of financials during an already difficult time for many new moms who suffer from postpartum depression is just too much for people to handle. We need, as the Union for Reform Judaism stated above, to value our workers' dignity.

Please pass the Time to Care Act, SB539. You will be helping so many families in our state immeasurably.

Kridel_FAV_SB539

Uploaded by: Kridel, Jeremy

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Rabbi Jeremy Kridel

My name is Rabbi Jeremy Kridel. I live in Ellicott City, Maryland, in District 12. This testimony is in support of the paid family leave legislation SB539.

My wife and I are the parents of a teenager with a diagnosis of severe autism. As the parent of a disabled child who, as a rabbi, counsels others who have disabled family members, I bring a unique lens to the question of paid family and medical leave.

In 2019, my son spent a total of 64 days hospitalized, all from late August onward. Four weeks — 28 of those 64 days — were spent in emergency rooms waiting for an inpatient placement at a specialized psychiatric unit at Sheppard Pratt's campus in Towson. During that waiting period — including 3 ½ weeks in the emergency department of the Baltimore Washington Medical Center, which spanned late November to mid-December and included the entire Thanksgiving holiday — we lived with our son in the emergency room. Because he was in an emergency department, we had to stay with him; because he could not be admitted inpatient, he was waylaid in the emergency department; because of his behavioral and psychiatric difficulties, which include aggressive behavior, we both needed to stay with him for his and others' safety. We were able to do this only because my wife and I both work for synagogues with supportive congregants, boards, and coworkers. We both work part-time for small religious organizations — a necessary compromise to help ensure that we can support our son's school in the event of an incident, and thus we lack even unpaid family leave under the federal FMLA. Without the understanding of our respective communities, we would have had to decide who was going to lose their job to stay with our son. We would certainly have lost our home in that situation, a particularly destabilizing experience for a child with autism.

No Marylander should face the choice of remaining employed or caring for an ill or disabled family member — and they certainly should not have to choose employment or family for acute, short-duration illnesses. And no Marylander who is paid on an hourly basis should be forced to choose between earning a wage or caring for a family member and going unpaid because they could not go to a job that pays only when hours are logged.

These insights are not new. Jewish biblical tradition makes it clear that workers should be treated fairly: “you shall not abuse a needy and destitute laborer” (Deut. 24:14). Jewish legal tradition knows that workers need to be enabled to care for themselves and their employers by not working night and day, wearing themselves down until they are unproductive (Babylonian Talmud, Tractate Berakhot 16a).

It is time for our state to help hard-working Marylanders and their families have the stability and care they need to thrive. It is time to make paid family leave the law in Maryland.

In light of the needs of Maryland’s families and the values we share, **I respectfully urge that this committee submit a favorable report on SB539.**

MDAAP_Wendy Lane_FAV_SB0539

Uploaded by: Lane, Dr. Wendy

Position: FAV



TO: The Honorable Delores G. Kelley, Chair
Members, Senate Finance Committee
The Honorable Antonio Hayes

FROM: Wendy Lane, M.D., MPH, Chair, Child Maltreatment and Foster Care Committee, Maryland Chapter of the American Academy of Pediatrics

DATE: February 27, 2020

RE: **SUPPORT** – Senate Bill 539 – *Labor and Employment – Family and Medical Leave Insurance Program – Establishment (TIME TO CARE ACT OF 2020)*

The Maryland Chapter of the American Academy of Pediatrics is a statewide association representing more than 1,100 pediatricians and allied pediatric and adolescent healthcare practitioners in the State and is a strong and established advocate promoting the health and safety of all the children we serve. On behalf of MDAAP, we submit this letter of support for Senate Bill 539 – *Labor and Employment – Family and Medical Leave Insurance Program – Establishment (TIME TO CARE ACT OF 2020)*

Senate Bill 539 will establish Family and Medical Leave Insurance for Marylanders. It will provide employees up to 12-weeks paid leave to care for new children, family members with serious health conditions or disabilities, or themselves.

The first few months and years of a child's life are vital to his or her physical and emotional development. Allowing a parent time to stay home with that child during the first months of life provides a myriad of benefits to the child and family. These include:

Effective maternal-child and paternal-child bonding

Attention to child health care needs, particularly if a baby is born premature, at low birth weight, or with birth defects.

- Strong establishment of breastfeeding, and longer duration of breastfeeding. This can reduce respiratory track and ear infections, and reduce the risk of sudden infant death syndrome. It may also reduce rates of childhood obesity, type 2 diabetes, allergies, and asthma.¹
- Increased involvement of fathers in children's care.²
- Improved vaccination completion.³
- Increased placement in high quality, stable child care.⁴

¹ <https://www.nichd.nih.gov/health/topics/breastfeeding/conditioninfo/benefits>

² Nepomnyaschy L, Waldfogel J. Paternity leave and fathers' involvement with their young children: Evidence from the American ECLS-B. *Community, Work, and Family*. 2017;104(4):427-453

³ Skinner & Ochshorn, "Paid Family Leave"; Mark Daku, Amy Raub, & Jody Heymann, "Maternal leave policies and vaccination coverage: A global analysis," *Social Science & Medicine* 74(2012): 120-124.

⁴ National Partnership for Women & Families, 2018. <http://www.nationalpartnership.org/our-work/resources/an-agenda-for-progress-for-women-and-families.pdf>

- Reduced rates of abusive head trauma (shaken baby syndrome).⁵
- Decreased infant mortality⁶
- Reduced rates of maternal post-partum depression⁷

Family leave policies ensure that all parents have the opportunity to stay home with their newborn or sick child, to develop a strong family bond, and to improve health outcomes. For all of these reasons, MDAAP strongly urges a favorable report.

⁵ Klevens J, Luo F, Xu L, Peterson C, Latzman NE. Paid family leave's effect on hospital admissions for pediatric abusive head trauma. *Injury Prevention*. 2016;22(6):442-445.

⁶ M. Rossin, "The effects of maternity leave on children's birth and infant health outcomes in the United States," *Journal of Health Economics* 30(2011): 221-239; S. Tanaka, "Parental leave and child health across OECD countries," *The Economic Journal* 115(2005): F7-F28.

⁷ Kornfeind KR, Sipsma HL. Exploring the link between maternity leave and postpartum depression. *Women's Health Issues*. 2018;28(4):321-326.

Levy_FAV_SB 539

Uploaded by: Levy, Anna

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Anna Levy

My name is Anna Levy. I am a resident of Rockville, MD, District 16. I am submitting this testimony in support of SB539, known as the Time to Care Act.

As a working mother and as an adult daughter of an aging parent, I have experienced first-hand, the importance of having access to paid leave for the birth of a child and to care for family members. In the 1980's, I was pregnant with my second child and working full time. We were fortunate that I was working for a forward-thinking non-profit organization that carried disability insurance covering 6 weeks of maternity leave at 60% salary for all staff members. This was exceptional at that time when most workplaces, including the federal government, did not provide assurances of a position to return to, much less paid leave for the birth of a child. We were prepared for that time off at a lower salary, but not that I would need to go on bed rest for 6 weeks prior to my expected due date to prevent a premature birth. The disability insurance kicked in early, but I then needed to take additional time off without pay following our son's healthy birth. Fortunately, my position awaited me upon my return and we were able to manage without my paycheck for those additional weeks.

Later, while still employed by the same family friendly organization, one of my sons required lifesaving cardiac surgery. Medical appointments, hospitalization, and recovery required many days of leave. Again, my employer allowed me to use accumulated sick and vacation leave to care for our son. When that was exhausted, they forwarded leave to me, which I paid back over time as I returned to work and earned leave. What would we have done if I had not had even that support, the assurance of a position to return to, and some, albeit diminished, income?

Fast forward to the 2010's when my 90+ year old mother needed me to be there at medical appointments, hospitalizations, and the transition from fully independent to wheelchair bound due to debilitating arthritis. Again, I was fortunate to work, now as a federal employee, in an agency that granted the use of accrued sick leave to care for ailing family members and flexible workplace options. How could I have made the choice between being able to be present to advocate for my mother's care when she was hospitalized for 6 weeks or being at work and earning my paycheck and paying bills? How does someone make the choice of caring for their

sick child, spouse, or parent when their job is not amenable to working remotely on a laptop in a hospital room or leaving work early or coming in late? Or face the loss of a job that might come with the health insurance coverage that is critical to their loved one's care?

It is our responsibility to be sure that every member of our community has the ability to take time to take care of their own health and that of their family members. Paid family and medical leave will give families more stability, and less to worry about so that they can focus on giving new parents and infants a positive start, or on critical health needs. **No one should have to choose between putting food on the table or paying the rent and caring for themselves or a loved one.** Healthy employees that are able to care for their families make healthy and productive workplaces that contribute to healthy communities.

I respectfully urge a favorable report for this important bill, SB539, the Time to Care Act.

MSCAN - SB539 - Paid Family Leave

Uploaded by: Lienhard, Carol

Position: FAV



Maryland Senior Citizens Action Network

MSCAN

AARP Maryland

Alzheimer's
Association,
Maryland Chapters

Baltimore Jewish
Council

Catholic Charities

Central Maryland
Ecumenical Council

Church of the Brethren

Episcopal Diocese of
Maryland

Housing Opportunities
Commission of
Montgomery County

Jewish Community
Relations Council of
Greater Washington

Lutheran Office on
Public Policy in
Maryland

Maryland Association of
Area Agencies on Aging

Maryland Catholic
Conference

Mental Health
Association of Maryland

Mid-Atlantic LifeSpan

National Association of
Social Workers,
Maryland Chapter

Presbytery of Baltimore

The Coordinating
Center

MSCAN Co-Chairs:
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SB 539

Labor and Employment – Family and Medical Leave Insurance Program – Establishment

Senate Finance Committee
February 27, 2020

Support

MSCAN is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that supports policies that meet the housing and care needs of Maryland's low and moderate-income senior citizens.

MSCAN supports SB 539, which establishes a Family and Medical Leave Insurance (FAMLI) program. Through this program, employees may take up to 12 weeks of paid leave from their jobs to care for new children, elderly family members, family members being deployed, or for themselves. SB 539 is especially important for Maryland's senior community because it allows older adult workers to address their own health needs and enable caregivers of older adults to balance their work and caregiving responsibilities.

Older workers need paid leave to manage their own health while continuing to work. Labor force participation rates for both men and women over 65 have climbed in recent years, especially after the Great Recession.¹ At the same time, older adults are more likely to suffer from serious health conditions that require regular care.² In order for older workers to stay healthy and productive, they need to be able to take paid time away from work to manage their health.

As our population ages and life expectancy increases, more workers will take on caregiving roles for older family members. Family caregivers need paid leave to care for elderly parents and relatives that may be facing serious health conditions, such as stroke or cancer. In less than 15 years, the number of Marylanders who are 65 and older will grow by almost 30%, increasing the need for a paid family leave policy that addresses the needs of older adults in Maryland. SB 539 will increase the health and wellbeing of older adults and their caretakers.

Caring for an older family member can negatively impact an employee's work situation and health. Of caregivers who take time off, 48 percent report losing income.³ In addition, caregivers experience elevated levels of stress, depression, and chronic disease. Older adults and caregivers should not have to choose between treating a serious health condition or caring for a family member and maintaining their economic security.

For these reasons, MSCAN urges a favorable report on SB 539.

¹ US Census. 2018. American Community Survey.

² National Partnership for Women & Families. (2017, June). Our Aging, Caring Nation: Why a U.S. Paid Leave Plan Must Provide More Than Time to Care for New Children. Retrieved 20 December 2018, from <http://www.nationalpartnership.org/caregivingreport>

³ Families and Work Institute. http://familiesandwork.org/site/research/reports/elder_care.pdf

MD DD Council_FAV_SB539

Uploaded by: London, Rachel

Position: FAV



Maryland Developmental Disabilities Council

EMPOWERMENT • OPPORTUNITY • INCLUSION

Senate Finance Committee

February 27, 2020

HB 539: Labor and Employment – Family and Medical Leave Insurance Program – Establishment

Position: Support

Workers with disabilities and their families need to a broad array of supports to address their needs, lead independent lives and to contribute and participate fully in their communities and the economy. Access to paid family and medical leave is an important part of the range of supports people with disabilities and their families need. This is true for the estimated 26.3 million working age adults with disabilities, along with the 36 million working age adults with family members with disabilities living in the US, and the 11% of Marylanders with a disability and their families.ⁱ

WHY is this legislation important to people with disabilities and their families?

- **Paid leave can increase economic security and stability for people with disabilities and their families.** Maintaining the balance of work and care for oneself or a family member is a challenge for anyone, but is particularly challenging for people who provide that care to family members with disabilities. The effects of disability are intrinsically tied to issues of economic insecurity and instability. The Center for American Progress notes that **“disability or illness can lead to job loss and reduced earnings, barriers to education and skills development, significant additional expenses, and many other challenges that can lead to economic hardship.”**ⁱⁱ
- One survey found that **more than 70% of family members providing care for people with intellectual and developmental disabilities reported that caregiving interfered with their work.**ⁱⁱⁱ
- Another study found that the odds of a worker losing income increase by 48% if the worker lives with a child with disabilities and special health care needs and by 29% if the worker is caring for an adult with disabilities or health issues. **Having access to dedicated paid family leave reduces the odds of losing income by 30%.**^{iv}
- **Paid leave increase opportunities for workers, including people with disabilities, to take time off if they experience a serious health condition or if their needs intensify due to their disability.** People with disabilities are more likely to be employed in low-wage, part-time jobs which typically provide fewer benefits.

WHAT does this legislation do?

HB 849 establishes a Family and Medical Leave Insurance Program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves. An employee is eligible for the wage replacement benefits if the employee:

- Is caring for a newborn child or child newly placed for adoption or foster care;
- Is caring for a family member with a serious health condition or disability;

- Has a serious health condition that makes the employee unable to perform his or her job;
- Is caring for a military service member; or
- Has a specified need resulting from the military deployment of a family member.

WHAT is different this year?

- The definition of family member is defined less broadly this year, and aligns with the Healthy Working Families Act of 2018, yet still captures the demands of all working families.
- The amount of contribution is specifically stated and requires a 50/50 split between employees and employers.

However, the Council understands the ongoing concern expressed by people with developmental disabilities who self-direct their services as well as the providers who support people with developmental disabilities. Specifically that the required contribution by employers – in this case those organizations that provide support to people with developmental disabilities – is another unfunded mandate. **While the contributions ensure a solvent system of necessary supports, and preliminary data shows offering paid family and medical leave may help with recruitment and retention of direct support professionals,** it may prove too difficult to find a direct support professional to provide the support when another takes leave.

Paid leave means all employees can give and get the support they need – to their children, their families, or themselves. For people with disabilities and their families, access to paid leave means increased opportunity, flexibility, and financial resources.

For these reasons, the Maryland Developmental Disabilities Council supports SB 539.

Contact: Rachel London, Executive Director: RLondon@md-council.org

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ⁱⁱⁱ May 2011. The Arc. *2010 FINDS National Survey: Family and Individual Needs for Disability Support*.

^{iv} June 2015. AARP. *Caregiving in the US*.

MFN_FAV_SB 539

Uploaded by: Macsherry, Clinton

Position: FAV



Testimony Concerning SB 539
“Labor and Employment - Family and Medical Leave Insurance
Program - Establishment”
Submitted to the Senate Finance Committee
February 27, 2020

Position: Support

Maryland Family Network (MFN) strongly supports SB 539, which would establish a Family and Medical Leave Insurance (FAMLI) program through which employees could take up to 12 weeks of partially paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves.

MFN has worked since 1945 to improve the availability and quality of child care and other supports for children and their families. We have been active in state and federal debates on policies that address the needs of working families and are strongly committed to ensuring that they have the supports they need to care for their children while meeting the demands of their jobs.

For many Maryland employees, the ability to take time away from work following the birth or adoption of a child is simply unaffordable. And yet we know that benefits to children, to parents, and to society as a whole are profound. Parental leave demonstrably improves child and maternal health, and it helps address some of the most critical opportunities for child development.

Nearly 25% of women return to work after taking 10 or fewer days of parental leave, potentially putting themselves and their children at risk physically and emotionally. New mothers who take paid leave are more likely to breastfeed and less likely to suffer from maternal depression. Their children are more likely to attend their well-baby visits, to receive their immunizations, and to thrive. Fathers who take time off after the birth of a child are more likely to remain involved in the child's life. Parents with paid leave are better able to balance work and family responsibilities, and they have greater economic security than parents without access to paid leave.

Families have to juggle many demands on their time, but none are more important than their responsibilities to their children. SB 539 gives parents time to care for their families during a critical window of child development. We urge your favorable consideration.

NPWF__FAV__SB 539

Uploaded by: Mason, Jessica

Position: FAV



**TESTIMONY IN SUPPORT OF HB 839 / SB 539 “Labor and Employment - Family and Medical Leave Insurance Program – Establishment”
Submitted to the Maryland Senate Finance Committee
February 27, 2020**

The National Partnership for Women & Families is a nonprofit, nonpartisan advocacy organization based in Washington, D.C. Our mission is to improve the lives of women and families by achieving equality for all women. We promote fairness in the workplace, reproductive health and rights, access to quality, affordable health care, and policies that help all people meet the dual demands of their jobs and families. We work toward creating a society that is free, fair and just, where nobody has to experience discrimination, all workplaces are family friendly, and every family has access to quality, affordable health care and real economic security. In 2017, our Director of Workplace Policy served on the Maryland General Assembly Task Force to Study Family and Medical Leave Insurance. **We appreciate the opportunity to submit testimony in support of HB 839 / SB 539.**

No one should have to risk their job or face financial ruin when they need to welcome a new child, care for a seriously ill or injured family member or address their own major health condition –needs that nearly every working person will face at some point in their lives. Yet just 19 percent of workers have access to paid family leave through their employers, and only 40 percent have access to personal medical leave through employer-provided short-term disability insurance.¹ The paid leave crisis has far-reaching impacts: families’ health and economic security suffers, businesses lose valued employees, economic growth is reduced and progress toward gender and racial equity stalls.

States have taken the lead to address this crisis, with significant benefits to their residents and economies. We commend the committee for considering legislation to ensure the working people of Maryland can take paid family and medical leave when critical health and caregiving needs arise.

We urge the committee to pass HB 839 / SB 539 to provide Maryland workers with access to paid family and medical leave through a state-run social insurance fund. Our support for paid leave is based on our understanding of the problems that workers, families, businesses and communities face when people do not have access to paid leave; the experiences of other states that have adopted paid leave programs; and a growing body of evidence showing the benefits of paid family and medical leave. Researchers estimate that 56 percent of the Maryland workforce is either ineligible for or cannot afford to take the unpaid leave that is currently available under the federal Family and Medical Leave Act (FMLA);² and although the Maryland Parental Leave Act covers more workers than the federal FMLA, concerns about affordability remain. It is time to adopt a statewide paid leave solution.

I. Lack of Paid Leave Burdens Families and Businesses with High Costs and Impossible Choices

In Maryland, most adults need to work to provide for themselves and their families: nearly two-thirds of mothers are breadwinners or co-breadwinners for their families, and nearly 76 percent of children live in households where both parents hold jobs or live with a single working parent.³ When caregiving needs arise, the lack of paid leave means too many of these families are faced with impossible choices between jobs and care. The consequences are expensive for families, businesses and the economy. Two-thirds of voters (66 percent) say they would face serious financial hardship if they had to take up to a few months of unpaid leave,⁴ and racial wage and wealth gaps mean families of color are even less able to weather the effects of an income shock.⁵

Nationwide, families lose an estimated \$22.5 billion in wages each year due to inadequate or no paid leave.⁶ For women, who continue to do the majority of unpaid caregiving in most families, lack of paid leave often means being held back from fully participating in the workforce, costing the national economy an estimated \$500 billion dollars each year.⁷ The majority of the nation's 5.5 million military caregivers are in the labor force; caregivers for post-9/11 servicemembers and veterans report missing an average of 3.5 days of work per month, leading to lost wages and financial strain.⁸

The cost of inaction is not only borne by working families, but also by businesses. Employers bear high costs of turnover, ranging between 16 percent and more than 200 percent of a worker's annual wages, when people leave their jobs⁹ – as more than one-quarter of those who take a leave without pay do.¹⁰ Small employers face challenges attracting and retaining valued employees without access to affordable paid leave.¹¹

An unmet and growing need for family caregivers for older adults increases stress on families and the health care system.¹² Older adults in the workforce, who are more likely to develop serious or chronic health conditions such as coronary heart disease or cancer,¹³ face heightened risks of being pushed out of the workforce without paid medical leave to help keep them address their health needs and stay attached to their jobs. Infants are less likely to attend well-child visits or receive on-time vaccinations.¹⁴ Mothers return to work too quickly after giving birth,¹⁵ harming their physical and mental health,¹⁶ and parents of all genders lack time to form nurturing bonds with their children, which is critical for child development.¹⁷

Nationwide, access to paid leave varies dramatically by job type and wage level, which perpetuates disparities and means the working people least likely to be able to afford to take unpaid time away from their jobs are also least likely to have access to paid leave.¹⁸ In one study, nearly 60 percent of low-income fathers reported taking no paid time away from work after the birth or adoption of a child.¹⁹ Less than half (45 percent) of LGBTQ workers say their employer has inclusive leave policies, and often face discrimination or other challenges related to gender identity, family status or health status.²⁰ People with disabilities are twice as likely as people without disabilities to hold part-time jobs, which typically lack paid leave and other benefits, and 4 in 5 lack any "rainy day fund" to help cover expenses during an unpaid leave.²¹

In Maryland, the effects of not having paid leave harm families of color acutely. Fifty-four percent of Black workers, 58 percent of Asian/Pacific Islander workers, and 68 percent of Latinx workers are either ineligible for or cannot afford to take unpaid leave under the FMLA, compared to 55 percent of white workers.²² These working people are disproportionately faced with the prospect of either losing the chance to earn income when they need to care for themselves or a loved one, or forgoing needed care in order to make ends meet. The consequences for the health and well-being of workers of color and their families, and for their ability to achieve financial stability and build wealth, are severe.²³

II. States Have Led the Way in Expanding Access to Paid Family and Medical Leave

Nine states, including the District of Columbia, have enacted legislation to address the mismatch between working families' needs and their lived realities. California, New Jersey, New York, Rhode Island and Washington have successfully implemented paid family leave and temporary disability insurance programs that demonstrate how well paid leave insurance works.²⁴ Programs have been enacted and will soon take effect in the District of Columbia (July 2020), Massachusetts (2021), Connecticut (2022) and Oregon (2023). The program that would be established by HB 839/SB 539 follows a similar model to the one that has been tried and tested in these states.

In California, workers have filed more than 12.3 million paid leave claims since 2004.²⁵ The vast majority of California employers report seeing a positive effect or no effect on employee productivity, profitability and performance²⁶ – and smaller businesses were less likely than larger businesses to report negative effects.²⁷ Even the Society for Human Resource Management, one of the chief opponents of paid family leave before it was passed in California, issued a report finding that the law had created “relatively few” new burdens for employers and that employers’ concerns about the program “have so far not been realized.”²⁸ In October 2015, *Bloomberg News* reported on the business impacts of paid leave in California in an article entitled, *California Shows How Paid-Leave Law Affects Businesses: Not Much*, and noted that “California’s employment growth outpaced the U.S. average by 2 percentage points” over the last decade.²⁹ California lawmakers have expanded the program twice since its adoption – once to broaden the range of family members for whom caregiving leave can be taken,³⁰ and again in 2016 to increase benefit levels for lower- and middle-wage workers.³¹

In New Jersey, more than 1.1 million claims have been filed since the paid family leave program was implemented in 2009.³² Three out of four voters (76 percent) say they view the program favorably.³³ In a report prepared on behalf of the New Jersey Business and Industry Association, the majority of both small and large businesses say they have adjusted easily to the law and experienced no effects on business profitability, performance or employee productivity.³⁴

In Rhode Island, workers have filed more than 45,000 claims since 2014, the year the program took effect.³⁵ Business supporters were critically important in passing the law, and early research suggests that businesses in key industries have adjusted easily. A study of small- and medium-sized food service and manufacturing employers in Rhode Island by researchers at Columbia Business School finds no negative effects on employee workflow, productivity or attendance, and finds that 61 percent of employers report supporting the

law.³⁶ The National Partnership's own analysis of the Rhode Island program's first year indicates that men took paid family leave at higher rates than during the first years of the California and New Jersey programs and that leave-taking was more evenly distributed between baby bonding claims and family caregiving claims.³⁷ Rhode Island's program improved upon the programs in California and New Jersey by guaranteeing workers reinstatement to their jobs.

Washington state implemented the first statewide paid leave program that did not expand on an existing temporary disability insurance program. The program began accepting applications just last month, receiving more than 20,000 applications in the first three weeks of its program – a strong indicator of pent-up demand for paid leave.³⁸ The state has developed innovative new models for public outreach and models best practices in IT systems.

Other states' paid leave laws have built on the strong foundation laid by California, New Jersey and Rhode Island. The District of Columbia, Washington, Massachusetts, Connecticut and Oregon all enacted laws with a higher level of wage replacement for people in low-wage jobs, based on research from California and New Jersey showing that lower wage replacement makes it harder for those with low wages to afford leave. New York expanded their temporary disability insurance law to add job-protected paid family leave, and Massachusetts made history in 2018 by becoming the first paid family and medical leave program to be fully job-protected; Connecticut and Oregon followed suit by passing laws that offered expanded or full job protection. California and New Jersey have even updated their laws to increase wage replacement rates, benefit length and job protection, among other improvements.³⁹

III. HB 839/SB 539 Would Create a Strong, Inclusive Paid Family and Medical Leave Program

Based on the state models described above, HB 839/SB 539 would establish a state paid family and medical leave fund, financed through small payroll contributions shared equally by employees and employers, that would replace a share of a worker's usual income for up to 12 weeks when they needed to address their own serious health condition, care for a family member with a serious health condition, bond with a newborn, newly adopted or foster child, or address needs related to a servicemember's active duty.

Specific provisions of this bill track with best practices established in other states to ensure paid leave programs adequately support middle- and low-income families and are affordable for both working people and employers.

A. Coverage and eligibility.

HB 839/SB 539 would cover the majority of Maryland's workforce, and critically, would be inclusive of workers regardless of the size of their employer and would allow self-employed people – including entrepreneurs – to opt in. Like programs in other states, Maryland uses a recent look-back period to establish a sufficient work history for eligibility. The threshold – 650 hours worked over 12 months – may exclude some part-time workers, but is more inclusive than standards such as the FMLA. Some states have adopted lower earnings or hours thresholds for a worker to be eligible for benefits,

with no documented negative effects. For example, in California, a worker must have earned at least \$300 during a one-year base period to be eligible.

B. *Progressive wage replacement rate.*

HB 839/SB 539 would provide a tiered wage replacement rate depending on income: 90 percent of earnings below 65 percent of the state average weekly wage, plus 50 percent of earnings above that threshold, with benefits capped at \$1,000 per week (adjusted for inflation). State experiences indicate that this rate will ensure that workers with low incomes receive benefits that are sufficient to make taking leave affordable, and still high enough for the program to support middle-income workers. Evidence from California, which originally replaced just 55 percent of wages, demonstrated that low wage replacement posed a barrier to the lowest income workers, disproportionately affecting workers of color,⁴⁰ and prevented the program from fulfilling its potential to advance gender equity.⁴¹ HB 839/SB 539 aligns with the standard set in newer and updated state laws, which replace between 80 and 100 percent of wages up to a certain threshold to ensure low-income workers can take leave, and a smaller share of wages above that point and high enough weekly cap that leave remains accessible to middle-income workers as well.

C. *Inclusive family definition.*

Family should be defined inclusively to reflect the full range of caregiving relationships that working families have, recognizing that families come in all forms. More than 80 percent of households today do not fit the so-called nuclear family model (a married couple living together with minor children).⁴² For example, 1 in 5 people (about 64 million nationwide) live in a multigenerational household, and people of color are especially likely to do so.⁴³ In part as a result of the opioid crisis, more than 2 million children are living with grandparents.⁴⁴ HB 839/SB 539 includes coverage for siblings, grandparents and grandchildren, as well as spouses, parents and children. **We would urge the committee to consider including the full range of extended family, including aunts, uncles, nieces and nephews, as well as chosen family.** Whether due to small family size, living a great distance from relatives, or even divorce or estrangement from a birth family, many adults – in fact, nearly one-third of people in the United States – report having needed to care for a friend, neighbor or other person who do not have a legal tie.⁴⁵ Coverage for these “chosen family” members, which is included in New Jersey’s, Connecticut’s and Oregon’s paid leave laws, is particularly important for LGBTQ people, people with disabilities,⁴⁶ and servicemembers and veterans, as around 15 percent of caregivers for pre-9/11 veterans and nearly one-quarter (23.4 percent) of post-9/11 servicemembers and veterans are friends or neighbors.⁴⁷

The National Partnership for Women & Families applauds the Committee’s examination of paid family and medical leave. We commend the committee for working to create a statewide paid family and medical leave program that will assure working people in Maryland the stability they need when they take time from their jobs to welcome a new child into their family, care for a seriously ill family member, or recover from their own serious health issue. Thank you for your consideration, and we look forward to continuing to work with you to ensure all Maryland workers have access to paid family

and medical leave. If you have any questions regarding this testimony, please contact Alex Baptiste, Policy Counsel (abaptiste@nationalpartnership.org) at the National Partnership for Women & Families at 202-986-2600.

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CASH Campaign_FAV_SB539

Uploaded by: McKinney, Robin

Position: FAV



SB 539 Labor and Employment - Family and Medical Leave Insurance Program - Establishment
Senate Finance Committee
February 27th, 2020
SUPPORT

Chairwomen Kelley, Vice Chair and members of the committee, thank you for the opportunity to testify in support of Senate Bill 539. This bill would establish a leave program so employees will have access to paid leave, in order to care for themselves or family members.

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.

Family and Medical Leave (FMLA) is a federal program that provides insurance to employees that work for a covered employer. However, this is not an option for many employees in Maryland. This means that they have limited or no options when it comes to taking paid leave. Some employees have access to unpaid leave, while others risk being fired for taking leave. Maryland has partially addressed limited aspects of this issue through the Flexible Leave Act and Parental Leave Act.¹

When employees encounter health related hardships they experience high levels of mental, emotional, and physical stress. This stress is increased by the demands of work and the inability to stop working to appropriately address concerns. Decision making, healing, and financial stability are compromised when employees do not have adequate options to navigate difficult times.

SB 539 will help alleviate stress by supporting:

- Parents caring for a newborn child or child newly placed for adoption or foster care.
- Workers caring for a family member with a serious health condition or disability.
- Workers caring for a military service member who is next of kin or those who have specified a need resulting from the military deployment of a family member.
- Workers who have a serious health condition that makes them unable to do their job.

A Family and Medical Leave Insurance program would benefit individuals and families by protecting workers who need to stay home to care for themselves or family members. They would not lose vital income, which could leave low to moderate income families to face housing instability, accumulation of debt, and inability to build long-term wealth and assets. Ensuring that employees can safely take time off, will ensure that Maryland employees will not have to choose between their own or their family's health and maintaining their economic security.

For these reasons, we encourage you to return a favorable report on SB 539.

¹ <http://dls.maryland.gov/pubs/prod/HHS/2017-Report-of-the-Task-Force-to-Study-Family-and-Medical-Leave-Insurance.pdf>

MD Center on Economic Policy_FAV_SB539

Uploaded by: Meyer, Christopher

Position: FAV

FEBRUARY 24, 2020

Paid Family and Medical Leave Promotes a Healthier and More Effective Workforce

Position Statement in support of Senate Bill 539


Given before the Senate Finance Committee

Ensuring Maryland workers can afford to take time off to care for a new child or a family member dealing with a serious illness would benefit families, communities, and Maryland's economy. Credible research and evidence from other states show that guaranteeing family and medical leave to most workers brings significant and wide-ranging benefits, including improved infant health and reduced employee turnover. For these reasons, the Maryland Center on Economic Policy supports Senate Bill 539.

Maryland's current failure to guarantee paid family and medical leave causes significant harm to workers and our economy. Although the federal Family and Medical Leave Act enables many workers to take up to 12 weeks of job-protected leave to care for a new child or a loved one with a serious health condition, or to recover from their own serious health condition, carve-outs exclude large numbers of workers from these protections. Moreover, a large majority of Americans are not guaranteed any paid leave from their employers for such circumstances, including 94 percent of low-wage workers. Taking significant time off without pay is not an affordable choice for many Marylanders.

As a result, many workers either forgo needed time off work or take less leave than the amount they need:

- About 16 percent of workers nationwide needed to take family or medical leave in the last two years but were unable to, according to a 2016 survey by the Pew Research Center.ⁱ Another 12 percent took less time off than they needed.
- The Pew survey found that one in five women needed leave but were unable to take any. Latinx workers were more likely than white workers to forgo needed time off, and Black workers were twice as likely as their white counterparts to do so. Workers taking home less than \$30,000 per year were more than twice as likely as those making at least \$75,000 to need leave but not take any.
- Among workers with unmet need for time off, more than two-thirds said they could not afford to take the leave they needed and about half said they were afraid that doing so could cost them their job.
- Some workers who took leaves received full or partial pay during their time off—generally out of accrued paid time off, sick days, or vacation days—but 37 percent received no pay at all. Half of Latinx workers and three out of five low-wage workers received no pay at all during their time off.
- Among workers who received partial pay or none at all, half dealt with the loss of income by dipping into savings intended for another purpose, 41 percent cut their leave short, 37 percent took on debt, and 33 percent put off paying bills.



Senate Bill 539 would enable most Maryland workers to take up to 12 weeks of partially paid leave to care for a new child, to care for a family member with a serious health condition, or to treat their own serious health condition. The bill also extends job protections to workers who are currently left out of the federal Family and Medical Leave Act, ensuring they can take time off without fear of losing their job. Altogether, Senate Bill 539 could extend access to paid family leave to about 1.4 million private-sector workers who currently lack it and extend access to paid medical leave to 1 million workers who currently lack it.ⁱⁱ

Similar to unemployment insurance, employers and employees would share the cost of benefits through payroll contributions. Analysis by the Institute for Women's Policy Research shows that contributions of 0.67 percent of wages, up to the Social Security contribution cap, would cover the cost of benefits. For a worker earning the average weekly wage of \$1,080, this would mean that employers and employees would each contribute \$3.62 per week. If wages above the Social Security cap were also subject to payroll contributions, a combined rate of 0.61 percent of wages would be sufficient. At the average weekly wage, this amounts to \$3.29 per week from each side.

Credible academic research, as well as the experience of other states with similar programs, shows that paid family and medical leave brings significant and wide-ranging benefits:ⁱⁱⁱ

- **Public health benefits:** Evidence links paid leave guarantees to a decline in infant mortality, improvements in mothers' mental health, a 33 percent drop in upper respiratory complications among infants, and increased ability for aging adults to live at home. Research shows that children in low-income families see especially large health benefits.
- **Economic benefits:** A study found that California's paid leave guarantee decreased the number of mothers of young children with family income below the federal poverty line (currently about \$26,000 for a family of four). While paid leave enables parents to take more time off during the first few weeks of a child's life, research shows that it can also enable mothers to return to the paid workforce sooner. Studies have linked paid leave to improvements in productivity and declines in turnover. Employers in states that guarantee paid leave generally report that the impact on their business is small and can be positive.


If we want to foster broadly shared prosperity across our state, we should create a Maryland where workers can keep their jobs and their livelihoods while dealing with some of life's most significant events. If working Marylanders cannot take off from work to deal with important family matters without risking their economic stability, we are all worse off. Ensuring hardworking Marylanders have financial support and flexibility during their times of need is essential to a thriving Maryland.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Finance Committee make a favorable report on Senate Bill 539.

Equity Impact Analysis: Senate Bill 539

Bill summary

Senate Bill 539 would guarantee partially paid, job-protected family and medical leave to Maryland workers who have worked at least 680 hours in the last year, regardless of employer size. Benefits would be equal to 90 percent of wages for a worker who takes home less than 65 percent of the average weekly wage (\$702 per week in FY 2019), with wages in excess of this amount replaced at a rate of 50 percent. Benefits would be a minimum of \$50 per week and a maximum of \$1,000 per week. To fund these benefits, employers and employees would equally



share payroll contributions on wages and salaries up to the Social Security cap (currently \$137,700 per year, or \$2,648 per week).

Background

The federal Family and Medical Leave Act enables certain workers to take up to 12 weeks of unpaid, job-protected leave to care for a new child, care for a family member's serious health condition, or recover from one's own serious health condition. To qualify for these protections, an employee must have worked at the same employer for at least 12 months, have at least 1,250 hours of employment in the last 12 months, and work for an employer with 50 or more employees within a 75-mile radius.

California enacted the first paid family and medical leave law in the United States, in 2004. Seven other states have since followed suit. However, as of 2019 only 18 percent of private-sector workers nationwide have paid family leave at their job.

Equity Implications

Maryland's current lack of a paid family and medical leave guarantee poses significant equity concerns:

- Sixteen percent of workers nationwide needed to take family or medical leave in the last two years but were unable to do so, according to a 2016 survey by the Pew Research Center. This group includes 19 percent of women, 23 percent of Latinx workers, 26 percent of Black workers, and 30 percent of workers with less than \$30,000 in annual income.
- Workers with unmet need for leave were more likely to cite inability to afford the lost income as a reason for taking no leave or less than they needed than any other factor (72 percent of those taking no leave, 69 percent of those taking less leave than they needed).
- While some workers received full or partial pay during their time off, Latinx workers and workers with annual income under \$30,000 were least likely to receive any pay.
- Many workers who took a pay cut during their time off work dealt with the loss of income by dipping into savings intended for another purpose, cutting their leave short, taking on debt, or putting off paying bills.
- Research suggests that parents who take no leave, insufficient leave, or unpaid leave may face a higher risk of experiencing mental health problems; their children may face a higher risk of health problems or even death. Workers who face barriers to taking the leave they need—who are disproportionately workers of color or low-wage workers—are especially likely to face these risks.

Senate Bill 539 would mitigate—though not eliminate—these equity concerns by guaranteeing partially paid, job-protected family and medical leave to the majority of Maryland workers.

Impact

Senate Bill 539 would likely **improve racial, gender, and economic equity** in Maryland.

ⁱ Juliana Horowitz, Kim Parker, Nikki Graf, and Gretchen Livingston, “Americans Widely Support Paid Family and Medical Leave, but Differ over Specific Policies,” Pew Research Center, 2017, <https://www.pewsocialtrends.org/2017/03/23/americans-widely-support-paid-family-and-medical-leave-but-differ-over-specific-policies/>

ⁱⁱ MDCEP analysis of 2016–2018 IPUMS American Community Survey microdata, 2016–2018 IPUMS Current Population Survey Annual Social and Economic Supplement microdata, 2019 Employee Benefits Survey. Assumes Maryland private-sector workers are equally likely as private-sector workers nationwide to have access to paid family leave (18 percent) and short-term disability insurance (42 percent).

ⁱⁱⁱ Heather MacDonagh, “Family and Medical Leave Insurance,” Department of Legislative Services, 2019, http://dls.maryland.gov/pubs/prod/BusTech/Family_and_Medical_Leave_Insurance.pdf

Worker's Average Weekly Wage	Annualized	Weekly Contribution (Assume 0.67% Rate)		Weekly Contribution (0.70% Maximum Rate)		Weekly Wage Replacement	Notes
		Total	Worker's Share (50% of Total)	Total	Worker's Share (50% of Total)		
\$100	\$5,200	\$0.67	\$0.34	\$0.70	\$0.35	\$90	
\$150	\$7,800	\$1.01	\$0.50	\$1.05	\$0.53	\$135	
\$200	\$10,400	\$1.34	\$0.67	\$1.40	\$0.70	\$180	
\$250	\$13,000	\$1.68	\$0.84	\$1.75	\$0.88	\$225	
\$440	\$22,880	\$2.95	\$1.47	\$3.08	\$1.54	\$396	\$11.00 per hour, 40 hours per week *
\$500	\$26,000	\$3.35	\$1.68	\$3.50	\$1.75	\$450	
\$600	\$31,200	\$4.02	\$2.01	\$4.20	\$2.10	\$540	\$15.00 per hour, 40 hours per week **
\$702	\$36,504	\$4.70	\$2.35	\$4.91	\$2.46	\$632	90% / 50% Replacement rate threshold
\$750	\$39,000	\$5.03	\$2.51	\$5.25	\$2.63	\$656	
\$1,000	\$52,000	\$6.70	\$3.35	\$7.00	\$3.50	\$781	
\$1,080	\$56,160	\$7.24	\$3.62	\$7.56	\$3.78	\$821	Average weekly wage
\$1,250	\$65,000	\$8.38	\$4.19	\$8.75	\$4.38	\$906	
\$1,438	\$74,797	\$9.64	\$4.82	\$10.07	\$5.03	\$1,000	Maximum benefit
\$1,500	\$78,000	\$10.05	\$5.03	\$10.50	\$5.25	\$1,000	
\$1,750	\$91,000	\$11.73	\$5.86	\$12.25	\$6.13	\$1,000	
\$2,000	\$104,000	\$13.40	\$6.70	\$14.00	\$7.00	\$1,000	
\$2,250	\$117,000	\$15.08	\$7.54	\$15.75	\$7.88	\$1,000	
\$2,500	\$130,000	\$16.75	\$8.38	\$17.50	\$8.75	\$1,000	
\$2,648	\$137,700	\$17.74	\$8.87	\$18.54	\$9.27	\$1,000	Social Security contribution cap
\$3,000	\$156,000	\$17.74	\$8.87	\$18.54	\$9.27	\$1,000	
\$3,500	\$182,000	\$17.74	\$8.87	\$18.54	\$9.27	\$1,000	
\$4,000	\$208,000	\$17.74	\$8.87	\$18.54	\$9.27	\$1,000	
\$5,000	\$260,000	\$17.74	\$8.87	\$18.54	\$9.27	\$1,000	

Source: Maryland Center on Economic Policy.

* 2020 Minimum wage.

** 2025 Minimum wage for most workers.

MainStreetAlliance_FAV_SB 539

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Position: FAV



Paid Family & Medical Leave in Maryland

Family and Medical Leave Insurance allows employees to care for themselves and their loved ones. For many, taking unpaid time off to meet their family needs is inconceivable. As a result, **Marylanders have to make an impossible choice: forgoing caring for their loved ones during times of medical need, or leaving their jobs and risking severe economic uncertainty.**

By creating an **employee & employer-funded** paid family and medical leave insurance program, we can help families get ahead – but the benefits don't end there. **Employers whose employees have access to leave report decreased turnover and improved morale.**



Aaron Seyedian is the Owner of Well-Paid Maids, a cleaning service that operates across Maryland, Virginia and Washington, DC.

Owning a small business doesn't exempt you from realities of everyday life. If anything, you are keenly aware of them. People get sick or injured. They start families. Ignoring the inevitable only puts our business at risk, jeopardizing our livelihoods and those of our employees. Paid Leave shouldn't depend on where you live or who you work for, it should be as commonplace as the life events that necessitate it.

— Aaron Seyedian, Owner, Well-Paid Maids

More than 1.1 million people - 50.2% of Maryland's workforce - work in small businesses. But many small businesses generally lack the capital and the scale to provide earned benefits like paid family and medical leave, even when business owners want to provide those benefits.

Only 17 percent of the U.S. workforce have access to paid family leave through an employer, and less than 40 percent have access to personal medical leave.

Among working mothers, only about half are able to take any kind of paid leave – including sick or vacation time – when their children are born. And, most strikingly, **more than 40 percent of bankruptcies in the U.S. are a result of lost income when the employee or a family member falls ill.**

Paid Family & Medical Leave Act

Self-Funded - small contributions from both the employer & the employees makes the PFML Act fund self-funded. Similar policies in WA, MA, CA, NJ & RI cost on average less than \$2.00 per employee per week.

Wage-Replacement - replaces wages on a progressive scale, meaning it is actually useful for low-income earners.

Easy-Admin - MN Department of Employment and Economic Development handles payments & admin, leaving business owners to focus on running their business.

Eligibility - all working Marylanders, including small business owners & those self-employed are eligible for up to 12 weeks of medical leave & up to 12 weeks of family leave.

Good for Business - Small businesses that could not afford to offer paid leave to their employees would now be able to offer the benefit, helping businesses attract the best and brightest employees & enjoy increased productivity.

Studies have shown...

When mothers take longer leaves, their babies are **MORE LIKELY** to be seen for regular check ups and immunizations.

Breastfeeding mothers, who take part in paid leave programs, continue breastfeeding for **TWICE** as long as those without access to paid leave.

Children's hospital stays are shortened by **31%** when parents have access to paid leave.

9 months after the leave is taken, fathers who take at least two weeks off for the birth of a child are more involved in direct care than those who do not.

In NJ, CA & RI, the vast majority of employers reported that paid family leave **POSITIVE** had a or no noticeable effect on productivity, profitability, turnover or morale.



Paid Family & Medical Leave in Maryland

*The U.S.
is one of
the only
countries
in the
world to
not offer
any kind
of paid
family or
medical
leave.*

MD
*can lead
the way
to do
better.*

A Win-Win-Win: Good for business, employees and Maryland

The PFML Act is an affordable and responsible way for small businesses to support and retain employees when serious family and medical needs arise.

The contributions would go into an insurance fund, to ensure program stability for employees, employers, and the state. Contributions would cover both benefits and administrative costs. This spreads the cost of leave, reducing the burden on individual employers without creating significant new administrative requirements. When an employee or small business owner needs to take time away from work, they can draw income from the fund to get by until they're back on their feet. Employers can use the salary of their on-leave employees as they see fit; they can use it to hire a temporary replacement, invest it in their business or save it for another use.

Paid family and medical leave laws help level the playing field between small businesses and large corporations, allowing small businesses to compete on more equal footing.

With modest bottom lines small businesses often have trouble matching more generous paid leave benefits offered by larger employers (including 84 percent of businesses surveyed by Main Street Alliance) – resulting in a hiring disadvantage.¹ In the current labor market, that means losing talented employees to larger employers, which wield the market power to provide paid leave to top managers but are squeezing everyone else with low-wage, uncertain jobs.

Paid Family Medical Leave provides critical financial security for small business owners themselves.

Small business owners themselves need paid family and medical leave. They, too, have new babies and ailing partners or parents, and often cannot afford to take unpaid leave. Their cushion maybe razor thin, and a single accident or a medical emergency could jeopardize the health of a small business and throw a business owner into financial ruin. Under the Paid Family & Medical Leave Act, small business owners would have a guaranteed revenue source while out on leave allowing them to take care of themselves and their family without risking their business.

Paid Family Medical Leave goes right back into the local economy, boosting consumer demand at small businesses, as working Marylanders spend their increased earnings to cover the basics.

When individuals do not have access to paid leave it impacts their spending and consumption patterns. Americans lose over to \$20 billion annually in wages because of lack of paid leave.² When they take unpaid leave, employees give up income they need to pay bills, buy groceries and support their families.

Working Marylanders who take unpaid or partially paid leave reported putting off spending, resulting in hardship for families and lost income to small businesses. Business owners cite weak sales as the biggest problem for their business and the economy, and ensuring that employees have their consistent wages means that consumer demand won't go lax with each illness or family event or emergency.³

1. <https://bit.ly/2DQwCX6>

2. <https://www.americanprogress.org/issues/women/reports/2016/09/22/143877/the-cost-of-inaction/>

3. http://asbcouncil.org/sites/default/files/files/Regulations_Poll_Report_FINAL.pdf

MLAW_FAV_SB 539

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Position: FAV



Maryland Legislative Agenda for Women

Bill No: Senate Bill 539
Title: Labor and Employment— Family and Medical Leave Insurance Program—
Establishment
Committee: Finance
Hearing Date: February 27, 2020
Position: SUPPORT

The Maryland Legislative Agenda for Women (MLAW) is a statewide coalition of women's groups and individuals formed to provide a non-partisan, independent voice for Maryland women and families. MLAW's purpose is to advocate for legislation affecting women and families. To accomplish this goal, MLAW creates an annual legislative agenda with issues voted on by MLAW members and endorsed by organizations and individuals from all over Maryland. **Senate Bill 539 is a priority on the 2020 MLAW Agenda.**

MLAW supports Senate Bill 539 because this bill establishes a Family and Medical Leave Insurance (FAMLI) program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves. The benefit level is calculated based on the employee's weekly wage and the State's average weekly wage. In general, the amount received by low-income employees reflects a higher percentage of their total wages.

We all need time to care—for new babies, for aging parents, for loved ones with health needs or disabilities, or for ourselves.

Yet many Marylanders can't take time to care because they lack paid family leave. Only 17% of U.S. workers have access to paid family leave and fewer than 40% have paid personal leave for short-term disabilities. Unpaid leave forces too many Americans, especially those whose needs are the greatest, to choose between income and family when illness strikes, when new babies arrive, or when the needs of a family member with a disability intensify. Nearly 25% of women, for example, take 10 or fewer days of parental leave, potentially putting themselves and their children at risk physically and emotionally.

Eight states and the District of Columbia have created paid leave programs and the federal government just enacted paid family leave for federal employees. Paid leave programs are proven to reduce poverty and improve public health outcomes.

The Time to Care Act establishes a Family and Medical Leave Insurance Program making paid leave available to Maryland workers for up to 12 weeks following the birth or adoption of a child and when needed to provide care for a family member or oneself. The leave would be funded through an insurance pool, into which workers and their employers contribute.

The Maryland Legislative Agenda for Women strongly urges the passage of Senate Bill 539.

Maryland Legislative Agenda for Women (MLAW)

305 W. Chesapeake Avenue, Suite 201 | Towson, MD 21204

mdlegagenda4women@yahoo.com | 443-519-1005 | www.mdlegagendaforwomen.org

MLAW Supporting Organizations

The following organizations have signed on in support of 2020 Legislative Agenda:

AAUW Maryland
Anne Arundel County Commission for Women
Anne Arundel County NOW
Baltimore County Women's Commission
Business and Professional Women of Maryland (BPW/MD)
Calvert County Commission for Women
Charles County Commission of Veterans Affairs
DC Coalition for Safe and Just Communities
Federation of Jewish Women's Organization of Maryland
Greater Washington Jewish Coalition Against Domestic Abuse (JCADA)
HopeWorks of Howard County
Laurel RESIST
Law Office of Carole D. Brown, LLC
Lincoln Park Historical Foundation
Maryland Business and Professional Women
Maryland Coalition Against Sexual Assault
Maryland Network Against Domestic Violence
Maryland NOW
Maryland Women's Heritage Center
MoCoWoMen
Montgomery County BPW
Montgomery County Commission for Women
Montgomery County NOW
Montgomery County Women's Democratic Club
Montgomery County Young Democrats
NARAL ProChoice Maryland
National Coalition of 100 Black Women, Inc., Anne Arundel Chapter
National Coalition of 100 Black Women, Prince George's County, MD
North Arundel Alumnae Chapter, Delta Sigma Theta Sorority, Inc.
On Our Own of Montgomery County Inc.
Planned Parenthood of Maryland
Prince George's County Drug Policy Coalition, Inc.
The Human Trafficking Prevention Project
The Law Office of Jessica O'Kane
The QED Foundation
White Lion Social
Women's Equality Day 2020 Celebration Coalition
Women's Law Center of Maryland

NARAL_FAV_SB 539

Uploaded by: Philip, Diana

Position: FAV



SB0539 - Labor and Employment- Family and Medical Leave Insurance Program- Establishment

Presented to the Honorable Dolores Kelley and Members of the Senate Finance Committee

February 27, 2020 1:00 p.m.

POSITION: SUPPORT

NARAL Pro-Choice Maryland urges the Senate Finance Committee **a favorable report on SB0539 - Labor and Employment- Family and Medical Leave Insurance Program Establishment**, sponsored by Senators Antonio Hayes and Sarah Elfreth. Marylanders should be able to parent with dignity and not be penalized at work for being caregivers.

Our organization is an advocate for reproductive health, rights, and justice. As part of our efforts to protect the reproductive freedom of all Marylanders, we believe that employees should have access to paid family and medical leave to be able to care for their reproductive lives, as well as care for any children that have in a parenting role. The inability to access paid family and medical leave has a particular impact on women, who often take on the majority of responsibility for caring for children, disabled relatives, and ailing older family members, and who make up almost two-thirds of minimum wage workers. According to the 2018 Employment Characteristic of Families by the Bureau of Labor Statistics, 65.1% of mothers with children under the age 6 participate in the workforce less than mothers with children ages 6 to 17 at a rate of 76.4%.¹ In contrast, employed fathers with children under the age of 6 and fathers with children between the ages 6 and 17 work equally in the workforce. Workplace paid leave is crucial for Marylanders with children to be able to parent with dignity – to financially, emotionally, and physically support a child’s basic needs.² Nurturing children when they are born, adopted, or fostered, as well as caring for children that become ill, are essential to a holistic and comprehensive vision of reproductive health, rights, and justice.

SB0539 calls for the creation of a state-run insurance fund that would pay employees wages for up to 12 weeks to cover time off to address significant healthcare needs, among them include adding a new child to one’s family or caring for a child with a serious medical condition. Revenue for the fund would be provided via a payroll deduction required of employers to withhold from an employee’s paycheck. This bill is the culmination of many years work in identifying what it the best and most feasible model for Maryland. Providing paid family leave would help more Marylanders keep their jobs and receive the necessary income on which they rely to adequately care for their families during both planned and unplanned medical situations. The ability to remain employed while addressing significant healthcare issues reduces the risk of crisis resulting in dependence on costlier public assistance and public health programs. The bill is designed to meet the needs of those who must take short-term family and medical leave, but also be supportive to the concerns of the business community. Along with improving health outcomes for working families, access to this type of paid leave reduces poverty, prevents unemployment, reduces employee turnover, and increases employee morale.

¹ “Employment Characteristics of Families—2018.” Bureau of Labor Statistics. U.S. Department of Labor. (2019).

² Center for American Progress [“More than a Choice: A Progressive Vision for Reproductive Health and Rights,”](https://cdn.americanprogress.org/wp-content/uploads/issues/2006/09/more_than_a_choice.pdf) 2006 https://cdn.americanprogress.org/wp-content/uploads/issues/2006/09/more_than_a_choice.pdf

The Family and Medical Leave Fund will be particularly helpful to new mothers, allowing the time to recover properly and care for their newborns without worrying about affording basic needs. With some women experiencing post-partum depression after labor, paid family and medical leave will provide them with both time and continuing financial support to seek treatment. Because of workplace demands, nearly one in four new mothers return to their jobs in less than two weeks after giving birth because they cannot afford to take unpaid leave. Locating adequate childcare has proven problematic for these families as Maryland bans placing newborns under 6 weeks of age in licensed childcare facilities. It is also important to note research suggesting that paid family leave can reduce stress and depression for new mothers and contribute to meaningful bonding between parent and child, which improves children's responses to external pressures and reduces risk factors for child abuse. In fact, a new study determining whether paid family leave has any impact found a lower hospital admission rate for babies suffering from deliberately inflicted head injuries in California since passing its paid family leave law in 2004, when compared with seven states that do not have paid family leave, including Maryland.³

Access to paid family and medical leave is a privilege that shouldn't be a privilege — *it should be a right*. Paid workplace leave is crucial for all people, but especially for low-income workers and those in communities of color seeking to become parents and have healthy families—a right to which we are all entitled. Historically, though, some parenting has been privileged at the expense of others, and not everyone has been able to exercise this right. Policies at work that affect pay and leave also influence family formation and pregnancy decision-making.

Furthermore, it is important to recognize that the issue of paid family and medical leave is not only a matter of wage and reproductive justice, but also an important issue of LGBTQ rights - as workplace policies have been historically developed within the heteronormative, nuclear family framework. For example, we need to acknowledge that cisgender men have the responsibility as fathers to care for their children as do mothers of their children. When Maryland families, no matter how they are formed, are left to leave their sick babies at home so that they can make enough money to afford housing and food, they are not functioning in a positive and productive work environment.

If we want to ensure that everyone has control of when and how they become parents—and to best support parents in caring for themselves and their families—we need to ensure they have flexibility in navigating their health choices. Access to paid family and medical leave upholds reproductive justice and gender equity for these workers. It means not having to decide between addressing a significant healthcare need and keeping the job that is crucial to your family's wellbeing.

The vast majority of all people will have to care for a sick relative, a new baby, or a medical issue of their own at some point during their years of employment. We strongly support all Maryland families to have the economic stability to ensure their health and medical needs are met. Therefore, **we urge a favorable report on SB0539**. Thank you for your time and consideration.

³ Klevens J, et al. "Paid family leave's effect on hospital admissions for pediatric abusive head trauma" *Injury Prevention*. February 2016.
1323 N. Calvert Street, Suite A, Baltimore, MD 21202 443-869-2970 www.prochoicemd.org

MAP - SB539 - PFL - Support

Uploaded by: Quinlan, Margo

Position: FAV



Member Agencies:

Advocates for Children and Youth
Baltimore Jewish Council
Behavioral Health System Baltimore
CASH Campaign of Maryland
Catholic Charities
Episcopal Diocese of Maryland
Family League of Baltimore
Fuel Fund of Maryland
Health Care for the Homeless
Homeless Persons
Representation Project
Job Opportunities Task Force
League of Women Voters of Maryland
Loyola University Maryland
Maryland Catholic Conference
Maryland Center on Economic Policy
Maryland Community Action
Partnership
Maryland Family Network
Maryland Hunger Solutions
Paul's Place
Public Justice Center
St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

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TESTIMONY IN SUPPORT OF SB 539

Labor and Employment – Family and Medical Leave Insurance Program – Establishment

Senate Finance Committee

February 27, 2020

Submitted by Stacey Jefferson and Margo Quinlan, Co-Chairs

Marylanders Against Poverty (MAP) strongly supports SB 539, which establishes a Family and Medical Leave Insurance (FAMLI) program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, family members with serious health conditions or disabilities, family members who are leaving for deployment, or for their own health conditions.

The overwhelming majority of employees in the United States cannot afford to take time away from work when their families need them most. According to a report by the Center for American Progress, low-wage families are the ones most in need of financial support when illness strikes or when a child is born—and the most likely to take on the care of a family member because they cannot afford a professional caregiver.¹ Too often, out of economic necessity, new parents are forced to go back to work within days of welcoming a new child, forgoing precious bonding and recovery time. Lack of paid leave – which is concentrated in low-wage jobs – exacerbates economic inequality.² Implementing a paid family leave program, especially with a progressive pay structure as proposed in SB 539, increases the health and financial security of Marylanders living in or near poverty.

Paid Leave is good for families, good for public health, and good for Maryland's economy. Access to paid leave improves the health and wellbeing of children, parents, and caregivers. Studies show paid leave can reduce depressive symptoms for new mothers, boost maternal and child health outcomes, and promote parent-child attachment. Additionally, paid leave allows people to recover from serious illness, and creates opportunities for caregivers to tend to their family members and help them fulfill treatment plans, which reduces complications and hospital readmissions.³ Ultimately, broadening the scope of who can access paid leave reduces the likelihood that low-income Marylanders will need to access state-funded safety-net programs, which benefits Maryland's economy.

In the richest state in the country, it is unacceptable that families can fall into debt, poverty, and homelessness due to lost income from illness, deployment, or welcoming a new child. No one should have to choose between treating a serious health problem, caring for a family member, and meeting their basic needs.

MAP appreciates your consideration, and strongly urges a favorable report on SB 539.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

¹ Center for American Progress. (2019). *Paid Family and Medical Leave Must Be Comprehensive to Help Workers and Their Children*. <https://www.americanprogress.org/issues/women/reports/2019/07/16/472026/paid-family-medical-leave-must-comprehensive-help-workers-children/>

² CLASP. (2014). *Access to Paid Leave: An Overlooked Aspect of Economic & Social Inequity*. https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/2014-04-09-Inequities-and-Paid-Leave-Brief_FINAL.pdf

³ National Partnership for Women & Families. (2019). *The Family and Medical Insurance Leave (FAMILY) Act*. <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/family-act-fact-sheet.pdf>

Reid_FAV_SB 539

Uploaded by: Reid, Lawrence

Position: FAV

Testimony in Support of SB 539 “Labor and Employment - Family and Medical
Leave Insurance Program - Establishment”
Submitted to the Senate Finance Committee
February 27, 2020

My name is Dr. Lawrence Reid. I am currently a Social Science Analyst in the Department of Health & Human Services, but I’m here today not to speak on their behalf, but rather as someone who has done extensive research in the field of maternal and child health. I also serve on the Board of the Maryland Family Network.

I am a social epidemiologist by training and completed my PhD at Johns Hopkins School of Public Health. In my previous role as Director of Maternal and Child Health Epidemiology at the Maryland Department of Health, I regularly provided expert epidemiologic assessments of data in regards to social, biological, or environmental factors, that were central to improving maternal and child health outcomes. Often, we found that improving social factors would have the largest impact on improving health outcomes.

Access to Paid Family Leave is an example of a policy that can address an important social determinant of health, and that is access to healthcare. Paid Family Leave is important and needed because of a host researched benefits including:

- Greater access to doctor visits,
- Increased access to family bonding time,
- Higher rates of breastfeeding initiation and duration which confers positive health outcomes for children and mothers,
- Reduction in parental stress and depression,
- Lower PTB and LBW rates (antenatal leave),
- Fewer infant hospitalizations and when necessary, shorter NICU stays, and
- Better immunization adherence.

A survey of new mothers in Maryland found that mothers with paid postpartum leave were more likely to initiate breastfeeding (93% vs 88%); 30% more likely to still be breastfeeding past 5 months (63% vs 49%); and more likely to go to their postpartum check-up (96% vs 92%). Unfortunately, these benefits are not equitably distributed across race or class. Non-white parents are more likely to be employed part-time, or not at all, thus limiting their access to these paid maternity leave. This is more reason to increase availability of Paid Family Leave so these benefits may help eliminate disparities in maternal and child health outcomes.

Ultimately, for me as a father of a 4 year old and a 10 month old, I know we are blessed that my wife and I were able to take advantage of paid family leave provided by our employers. I know many families don’t have the advantage of employer provided benefits. This is a situation that we can fix by providing Paid Family Leave to all Marylanders.

Richman_FAV_SB 539

Uploaded by: Richman, Elliot

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Elliot Richman

My name is Jeffrey Elliot Richman. I live in Ellicott City in District 9A. This testimony is in support of SB539.

When my son was born I was working for a publishing company two states away from my home. Company policy allowed me about a week of leave to care for my wife and newborn child. Even if the Caesarean section had gone smoothly, this would have been only barely enough. However, my wife developed an infection. As a result, her functionality was severely reduced and her recovery from childbirth was significantly delayed. I requested additional time at home from my employer (this was before telecommuting became commonplace). My request was met with denial and visible annoyance.

It was difficult and costly for us to make it through several months during which my wife was recovering and I was commuting and working, but I had no choice so I made do. Even today, decades later, many if not most fathers still do not have their employer's permission to care for their newborn and spouse for long enough, their wages have not afforded them the savings to take unpaid leave, and they fear termination even if they could afford the time.

I want Maryland to be a better place for families and a leader in social awareness in the United States. The guiding Jewish values of "lovingkindness" (*hesed*) and "repairing the world to leave it a better place" (*tikkun olam*) also justify passage of the Time to Care Act. In the ancient Babylonian Talmud it is written: Whoever withholds an employee's wages, it is as though he has taken the person's life from her (tractate Bava Metzia 112a). Accordingly, we should not ransom a person's wages to allow them to care for their newborn; we should not ransom a person's care for their newborn for them to get their wages. We must make sure that all Marylanders have the capability to take time to be with their families and attend to their own and their family members' health when such need arises.

I respectfully urge a favorable report for SB539.

RichmanL_FAV_SB 539

Uploaded by: Richman, Laura

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Laura Richman

My name is Laura Richman. I live in Ellicott City in District 9A. This testimony is in support of SB539.

The problem of taking leave for family health obligations is particularly acute in my mind because I recently dealt with managing the palliative care, and ultimately the death, of a very elderly parent who lived in another state. I was fortunate that I was able to do so without jeopardizing my income and financial stability, but for some people this would not have been at all possible.

Not every employee has the luxury of telling their employer that they will be out for a few days, weeks, or months, especially if they work on an hourly basis, or for minimum wage. They shouldn't have to fear job loss because they have family or personal health and well-being obligations or needs that cannot be avoided. In fact, in many instances, people's jobs are terminated for just those reasons, which is cruel and unfair. I want my neighbors and all the employees with whom I interact at local businesses to be able to take necessary time off without going into debt or risking job loss.

Rabbi Hillel, one of the greatest of Judaism's formative leaders, sages, and scholars, taught that we cannot separate ourselves from our community and that we all bear responsibility for each other's well-being and care. I agree with Hillel that we must make sure that all people are able to take time to be with their families and attend to their own and their family members' health.

I respectfully urge a favorable report for SB539.

Rubin_FAV_SB 539

Uploaded by: Rubin, Jeffrey

Position: FAV

February 27, 2020

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THINK JEWISHLY. ACT LOCALLY.

TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Jeffrey Rubin on behalf of Jews United for Justice

My name is Jeffrey Rubin. I live in Potomac, MD in District 15. I am writing in strong support of SB539 on behalf of Jews United for Justice. JUFJ organizes nearly 5,000 Jewish Marylanders and allies in support of local campaigns for social, racial, and economic justice. Family responsibility, care for the sick, and concern for the needs of the wider community are all important Jewish values. Paid family and medical leave upholds each of these values.

I have two personal stories to share with you.

- 1) Several years ago my father became very ill when he was living by himself in Florida. I took time off from work, spent one week with him in the hospital, and then brought him back to Maryland for additional medical attention. He required months of around the clock care to recover from his newly diagnosed cancer. I was his primary caregiver. This was an intense, stressful time. It would have been much worse had I not benefited from employer paid family and medical leave. I was able to focus on what it took for my dad to get better, without worrying about job security or income.
- 2) About six months ago, my daughter gave birth to her first child – and my first grandchild. Fortunately, her employer provided maternity leave that allowed her to take four months off from work without sacrificing pay. I saw firsthand the profound value of this benefit, which enables parents to cope with the life-changing, new challenges of caring for newborns in their early months of life.

We were lucky because our employers provided for us. I believe everyone who works in Maryland should have the benefit of paid family and medical leave. That is why **JUFJ and I respectfully urge a favorable report for SB539.**

Shifrin_FAV_SB539

Uploaded by: Shifrin, Jo

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Jo Shifrin

My name is Jo Shifrin. I live in Bethesda in District 16 and I am writing in support of SB539.

The lack of paid family and medical leave has impacted my husband and me twice in the last 20 years. In 1998, we discovered that my husband's mother, who was 86 years old, living alone, and diabetic, could not manage herself or her home without a lot of help. Shortly thereafter, she was diagnosed with Alzheimer's. She was adamant about not wanting to move to an assisted living community or a nursing home. So we found a house that could be adapted for two families, and moved her and ourselves into it. Her health began to quickly decline and I realized that I couldn't continue to work full-time. My employer didn't have a paid family and medical leave policy, so I left the paid workforce and became a full time caregiver. We were very fortunate that my husband had a good job and we were able to take care of my mother-in-law and all of our bills without a huge financial burden. However, I am very aware that many are not that fortunate and have to make a decision between putting food on the table for their families and taking care of themselves or a loved one.

Fifteen years later, I was working as an independent contractor when I was diagnosed with breast cancer. Although working for myself allowed me to set my own hours, I found that the treatment made me so sick that it was nearly impossible for me to work for several months. Not being able to work both reduced our income and made it nearly impossible to take care of the household chores I was used to doing. A paid family and medical leave law would have reduced a great deal of the stress associated with being sick by lessening the financial burden.

At the same time I was sick, a single mother who lived nearby was suffering with the same diagnosis as me. She continued to work through her treatment because she didn't have the support she needed to take time off from work during and after her treatment. She never had the chance to rest and recover. A few months later, as I was getting back on my feet, I learned that she had died. I recently wondered if things might have been different for her if paid family and medical leave was available to allow her to take care of herself as needed.

Nearly every one of us will face a situation where we need to take off an extended period of time from work, whether to bond with a new child, take care of a loved one whose health is in peril, or take care of ourselves when an unexpected injury or illness strikes. **Paid maternity leave is a basic right enjoyed by people in every other country except the United**

States and Papua New Guinea. Since we can not count on the federal government to pass such a law, we need to pass this law in Maryland. Please make 2020 the year in which we recognize the universal needs of Maryland workers and pass this law now.

I respectfully urge a favorable report for SB539.

WLC_FAV_SB 539

Uploaded by: Siri, Michelle

Position: FAV

BILL NO: Senate Bill 539
TITLE: Labor and Employment – Family and Medical Leave Insurance Program –
Establishment (Time to Care Act)
COMMITTEE: Senate Finance Committee
HEARING DATE: February 27 , 2020
POSITION: **SUPPORT**

The Women's Law Center of Maryland is dedicated to ensuring the physical safety, *the economic security*, and the autonomy of women throughout the State. One way we work towards this goal is by supporting systemic changes to our current economic policies and practices that disproportionately affect women. Senate Bill 539 would establish the Family and Medical Leave Insurance Program. The bill's purpose is to provide income replacement during what would otherwise be unpaid leave taken under the Family and Medical Leave Act or otherwise for employees not entitled to benefits under that act. The bill would provide a continuity of income for persons needing to take time off to care for themselves, for a family member with a serious health condition, or for a newborn or newly placed adopted or foster child, or to take time needed for enumerated reasons related to a relative being deployed by the armed services.

This bill would create a structure for income replacement benefits similar to the well-established unemployment benefit system. It would contribute to the financial stability of Maryland workers and families, and because it spreads the risk of paying such benefits among all employers, it would tend to reduce discrimination against employees who themselves are, or who have family members who are, disabled, ill, injured, pregnant, or in the military. Additionally, the bill includes safeguards for employers, such as requiring proper documentation, prohibiting "stacking" of leave with FMLA leave, and providing an exemption for employers offering equal or greater benefits.

The Women's Law Center supports SB 539 because it furthers the purposes of the FMLA and the state laws extending similar protections, including the more recently enacted Pregnancy Leave Act. Many employees have been assisted by the passage of laws allowing them to take leave to care for their own or a close family member's serious health condition, or to care for a new child, without losing their job. Yet the ability to take leave is often accompanied by a reduction or elimination of the employee's regular wages. This is of particular concern to the Women's Law Center as women continue to be the primary caregivers for children and family members. Yet at the same time, the number of women entering the workforce has continued to grow. Unfortunately, while women now make up nearly half the workforce, and two-thirds of Maryland families have women as the sole, primary, or co-breadwinner, women are disproportionately represented in low-wage jobs. Indeed, while only 18% of workers in general are covered by paid leave, that number is reduced to 6% for low wage workers – the workers who can least afford to go without a paycheck. As such, it should not be surprising that 15% of working women who have a child without paid leave end up on public assistance. But this legislation would benefit the workforce as a whole, as women with paid leave are 70% more likely to return to work, thus saving employers time and money that would otherwise need to be spent on recruiting, hiring, and training new staff.

Senate Bill 539 is a reasonable and modest effort that demonstrates Maryland's commitment to working families by helping to protect their health, stability and wellbeing. Therefore, the Women's Law Center urges a favorable report on SB539.

Stern_FAV_SB 539

Uploaded by: Stern, Carol

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Carol Stern

I am testifying in favor of SB539 as a resident of Montgomery County's District 16.

The Jewish text that shapes my religious and moral conviction that every employee in the state of Maryland should have access to paid family and medical leave explains that *pikuach nefesh*, the saving of a life, supersedes all other commandments. This assures us that we have a moral obligation to pursue life at any cost. Offering paid leave to employees is an act of *pikuach nefesh* since it prioritizes people's health and well-being. This is a directive for us to secure the wellness of the labor force, which passing this law can help to do.

I have used employer sponsored paid family leave during three crucial times of my life - the birth of my two children, the major illness of my spouse, and during the last weeks of my mother's life. I was one of the fortunate Americans who worked for a Fortune 500 Company that offered this benefit. I know personally how invaluable this paid time off was for me and my family. It is a benefit that all employees should have when these life events occur.

The State of Maryland needs to pass a comprehensive paid family and medical leave law that allows workers to care for themselves, their children, and their parents without sacrificing their livelihood. We know that caregiving now spans the life cycle of all families from the care of a newborn, to a sick loved one, an aging family member, and the employee's own health. Giving people 12 weeks of paid leave will remove the stress and burden of taking an unpaid day off, which might mean job termination. No one should ever be asked to make that choice, yet too many workers who need time off often do so at the expense of their own financial well-being.

I respectfully urge a favorable report on SB539.

Taylor_FAV_SB 539

Uploaded by: Taylor, Lavonne

Position: FAV

Testimony in Support of SB 539 "Labor and Employment - Family and Medical
Leave Insurance Program - Establishment"
Submitted to the Senate Finance Committee

I am reaching out to your committee today to express my support of SB 539. I am a small business owner in Maryland. My business employs 46 workers, most in full-time positions. At the current time, all of my employees are female, and my industry, the childcare industry, is primarily female. As a small business, it is difficult for me to offer my employees the same benefits that they could obtain from larger companies. My employees choose to work for our company because they believe in our mission to care for children in a nature-based Christian environment. They are committed to the families and the 225 children we serve. I try to offer my employees benefits that we know they will need, including paid leave, incentives for wellness, and paid ongoing professional development. Most of my current workforce consists of women with young families, and in the last year five of our employees have given birth and taken leave to spend time with their newborn babies. In our industry, as in many businesses with lower wage employees, the women who act as the primary caregivers in their families do not make enough money to comfortably take extended leave without pay. I cannot afford to pay my employees during an extended leave while also paying another employee to substitute in that teacher's place while she is out of work. There are countless businesses throughout Maryland that find themselves in a similar situation, unable to support paid extended leave for the employees who may desperately need the time to care and bond with a newborn, or to care for sick family member or dying parent.

Employers know that our employees are the backbone of our businesses. The success or failure of our business is directly related to our ability to attract and retain quality employees who will drive our business forward. This bill offers a smart option for small businesses in Maryland. With minimal cost (New Jersey's current Family Leave Insurance Program costs employees an average of \$.60 per week) we can offer a portion of paid salary to our employees for family leave. This can be an attractive option for employees who are deciding whether to work in a small business or a larger corporation that has the resources to offer more paid benefits. Under the current proposed legislation, The Family and Medical Leave Insurance fund would be administered by the Unemployment department at the state level. Although there will likely be an application process for employees to access this benefit, I am happy to complete the application to help my employee access paid leave that I cannot afford to offer.

Families know that caregivers are the backbone of the family. All families will at one time or another need someone to take extra time to welcome a new baby or adopted child, to care for someone who is ill, or to take care of themselves in an illness. In households where finances are tight, unpaid leave is a huge burden during an already stressful time in the family's life. New mothers who must return to work without time to bond with their new babies risk medical problems for both themselves and their infants. In many cases, these are the at-risk children and families that our state is striving through countless other programs to reach and support. With this legislation, we could offer these families some support financially to feel that they can take the time they need to invest in the health of their family.

Studies in California, New Jersey and Rhode Island where similar state-wide paid leave programs have been implemented show that employers report little or no impact on the operation of their businesses with the implementation of this program. I am confident, however, that it has made all of the difference to the individuals who have benefitted from the program. Our workplaces, our economy, and our state are all built on the health of our families. It is my hope that you will consider the importance of supporting Maryland families in their neediest time by supporting this important piece of legislation.

I thank you in advance for your support of SB 539. The caregivers, mothers, sons, and daughters, husbands and wives of Maryland will thank you.

Lavonne Taylor, Owner/Director Forest Hill Nature Preschool & Childcare in Harford County Maryland

CC-SB539-FAV

Uploaded by: Vaughan, Regan

Position: FAV

**Senate Bill 539
Labor and Employment – Family and Medical Leave Insurance Program –
Establishment**

Senate Finance Committee
February 27, 2020

Support

Catholic Charities of Baltimore strongly supports SB 539, which provides wage replacement for Maryland workers who need to take time to care for themselves or a loved one.

Inspired by the gospel to love, serve and teach, Catholic Charities provides care and services to improve the lives of Marylanders in need. As the largest human service provider in Maryland working with tens of thousands of Marylanders each year, and an employer of over 2,000 people, we recognize the dignity of the worker and as part of that the need to take time to care for oneself and loved ones.

Each day, Catholic Charities staff interact with Marylanders facing challenges and difficulties. Whether it is a parent seeking job training, a youth experiencing a behavioral crisis or a senior who needs a safe place to live we work to meet the individual's needs and help them meet their goals. It is through these interactions that we have come to strongly support SB 539. The examples below illustrate our experiences.

- One client participated in our Families for Success program. She had been working as a home health aide making a wage that supported her but did not leave much leftover each month. When she became pregnant, she continued to work despite feeling unwell. Finally in her 6th month of pregnancy, her doctor told her she could no longer perform the strenuous activities required for her job. Her employer was unable to provide a reasonable accommodation and she did not have access to paid family leave. She lost her job. Despite numerous interviews she could not find a position that met her doctor's requirement and would take a chance on a visibly pregnant woman. She spent the remainder of her pregnancy receiving Temporary Cash Assistance to get by.
- Another client sought admission to our nursing home – St. Elizabeth's. Her daughter had been caring for her and could no longer handle the stress of balancing work and caregiving duties for a parent with dementia. She did not have access to paid family leave. During the admission process, the daughter suffered a heart attack. There was little doubt that the stress from the juggling act had contributed to her condition.
- We worked with a family whose adolescent son was experiencing a behavioral health crisis. Despite a recommendation for residential treatment from his medical team, his parents are battled their insurance company while they waited for an available bed in an appropriate setting. Their son could not be left home alone, his school made it clear he was not welcome back, and childcare providers refused to watch him. His parents were forced to take unpaid leave adding great financial stress to the family during an incredibly stressful period.

Paid family leave would not solve the larger problems these families were facing, but it would have provided each family with time to care – time to care for themselves and their families – as they faced adversity.

On behalf of these three families and all the individuals we work with, Catholic Charities of Baltimore appreciates your consideration, and urges the committee to issue a favorable report for SB 539.

Submitted By: Regan K. Vaughan, Director of Advocacy

Wallace_FAV_SB 539

Uploaded by: Wallace, Avi

Position: FAV

February 27, 2020

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TESTIMONY IN SUPPORT OF SB539

Labor and Employment - Family and Medical Leave Insurance Program - Establishment

TO: Chair Kelley, Vice Chair Feldman, and the members of the Finance Committee

FROM: Avi Wallace

My name is Avi Wallace. I live in Rockville in District 16 and I am 13 years old. This testimony is in support of Bill SB539, the Time to Care Act.

I recently had my Bar Mitzvah, the Jewish ceremony that marks the transition from childhood to Jewish adulthood. My Bar Mitzvah project was working on Paid Family and Medical Leave. I chose to work on this issue because I feel that it is very important for us to acknowledge that people have to choose between their family and their job a lot of the time, and that is not a decision people should have to make. Also, I wanted to inform other people about the need for the Time to Care Act.

I asked the people that were celebrating with me to help send the message to their legislators that Paid Family and Medical Leave is needed. In my Bar Mitzvah speech, I connected the portion of the Torah we were reading that week to Paid Family and Medical Leave. I also asked them to send postcards to their legislators about why they think Paid Family and Medical Leave is important. One person wrote, "I was a family therapist, couples therapist, and individual therapist for over 20 years. There is no doubt that Paid Family and Medical Leave is of utmost importance for families to meet challenges that are integral to development changes throughout the cycle of life. Please support the Time to Care Act." I hope their message sticks with you and shows you that there are many, many people that care.

Right now there are working parents that can barely afford a living with their job or jobs. And if someone in their family has a major illness or there is a new baby they need to take care of, then they can't take care of them because they need to make money so either the sick person or the new baby can eat. They should not have to work with something that important in their lives happening. They need to be able to care for the person that needs caring for and still be able to make money so their family can survive. The choice between your family or your job is not a decision people should have to make and that is why I support SB539.

Connecting to my Jewish roots, our sages say "Whoever withholds an employee's wage it is as though he has taken the person's life from her." (Bava Metzia 112a) If an employer does not pay

their employee the money they need to thrive or even survive, it is a very big problem. We need people who live in Maryland to be able to care for all the moving parts of their lives and this bill will help a lot. **I respectfully urge a favorable report for SB539.**

Maryland Catholic Conference_FAV_SB539

Uploaded by: Wallerstedt, Anne

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

February 27, 2020

SB 539

**Labor and Employment – Family and Medical Leave Insurance Program – Establishment
(Time to Care Act of 2020)**

Senate Finance Committee

Position: Support

The Maryland Catholic Conference (“Conference”) represents the public policy interests of the three Roman Catholic (arch)dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

Senate Bill 539 establishes a Family and Medical Leave Insurance program in the state, through which employees may take up to twelve weeks of paid leave from their jobs when they are:

- welcoming a new child from birth, adoption, or foster care placement;
- suffering serious health conditions or disabilities;
- involved in a relative’s military deployment or caring for a wounded service member; or
- caring for aging parents or family members with critical needs.

The Conference supports efforts that increase the dignity of a person’s work as well as expand opportunities to care for themselves and their families during times of critical need, from the welcoming of a new child into the family through caring for aging parents, and every stage in between. In Maryland, only seventeen percent of working individuals have access to paid family leave, causing those who don’t to bear the devastating burden of whether to prioritize going to work or taking critically-necessary time to care for themselves or their families. Low-income workers are particularly harmed by this lack of leave, though the problem effects workers in every industry across the state.

Taking necessary time to care for one’s family in times of incredible importance and need is crucial in developing healthy families that can grow and prosper, without concerns about losing a paycheck.

The Conference appreciates your consideration and, for these reasons, respectfully requests a favorable report on Senate Bill 539.

ABB_FAV_SB 529

Uploaded by: Weston Williamson, Molly

Position: FAV

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**Testimony Regarding the Family and Medical Leave Insurance Program
Submitted to the record of the Senate Finance Committee Hearing on February 27,
2020 by Molly Weston Williamson, Director of Paid Leave and Future of Work and
Senior Staff Attorney, and Cassandra Gomez, Law Clerk, A Better Balance**

We are submitting this testimony on behalf of A Better Balance, a legal advocacy organization whose mission is to fight for policies that will protect American workers from having to choose between caring for themselves and their families and maintaining their economic security. To that end, we have been working on paid family and medical leave issues in states throughout the country for over a decade. We are delighted that Maryland is considering this important issue.

I. Paid family and medical leave laws are working in other states.

Since the middle of the last century, five states (California, New Jersey, Rhode Island, New York, and Hawaii) have provided a legal right to temporary disability insurance (TDI), which provides partial wage replacement to those unable to work due to an off-the-job illness or injury. In recent years, California, New Jersey, Rhode Island, and New York have expanded these programs to provide benefits to workers bonding with a new child or caring for a seriously ill loved one.¹ Washington State has created a new insurance system to provide similar benefits. In addition, Washington, D.C., Massachusetts, Connecticut, and Oregon have passed laws to create new insurance systems to provide benefits in these same situations, which those states are currently working to implement. Though their exact structures vary, all existing comprehensive paid family and medical leave programs provide benefits through a social insurance model.

In each state with a paid family and medical leave law, almost all private sector (non-government) employees have an automatic legal right to coverage, including hourly, part-time, and subcontracted workers.² These laws cover employees regardless of the size of their employer, meaning that even those who work for an employer with just one employee have the right to coverage. Most programs also allow self-employed workers to opt in to coverage if they choose.

These laws provide benefits in a few types of situations. Workers can receive medical leave benefits (sometimes called TDI benefits) when they are unable to work due to a serious off-the-job illness or injury. In all programs, family leave benefits are available to those taking leave from work to bond with a new child (including children newly placed for foster care or adoption) or to care for a family member with a serious health condition. New York, Washington State, Massachusetts, California, and Connecticut also provide (or will provide) paid family leave benefits to workers dealing with certain needs

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in connection with a family member's military deployment. New Jersey, Oregon, and Connecticut also provide (or will provide) benefits known as "safe time," which covers non-medical needs arising from domestic or sexual violence.

Programs vary in the number of weeks of benefits workers can receive. For their own medical needs, workers can receive benefits for fifty-two weeks in California, thirty weeks in Rhode Island, twenty-six weeks in New York and New Jersey, and twelve weeks in Washington State (with an additional two weeks for certain pregnancy-related health needs). Workers will be able to receive benefits for their own medical needs for twenty weeks in Massachusetts, twelve weeks in Connecticut and Oregon (with an additional two weeks for certain pregnancy-related health needs in each of these states), and two weeks in Washington, D.C. For paid family leave, Washington State offers twelve weeks, California currently offers six weeks and will begin offering eight weeks on July 1, 2020, while Rhode Island offers four weeks of benefits. New York currently offers ten weeks of paid family leave benefits and, when the program is fully phased in in 2021, will offer twelve weeks; New Jersey currently offers six weeks but will begin offering twelve weeks on July 1, 2020. Massachusetts, Connecticut, and Oregon will each offer twelve weeks of paid family leave benefits,³ while Washington, D.C. will provide six weeks of benefits to care for a seriously ill or injured loved one and eight weeks of benefits to bond with a new child. Programs vary in the extent to which workers can combine family and medical leave benefits sequentially.

Benefits are calculated as a percentage of workers' income. In some programs, this is a flat percentage of workers' own income. Workers receive a flat percentage of their average weekly wage in Rhode Island (approximately 60%) and New Jersey (approximately 67%, which will go up to 85% in 2020). New York also uses a flat wage replacement rate, currently 50% for medical leave and 60% for family leave, but will increase the rate for family leave to 67% in 2021.

Other programs use what is called progressive wage replacement rates, where lower income workers receive a higher percentage of their income. California uses a progressive wage replacement rate ranging from 60% to 70% for most workers, with lower-income workers receiving a higher percentage of their income. Washington, D.C., Washington State, Massachusetts, Connecticut, and Oregon use (or will use) progressive rates structured in a similar way. In these states, workers will receive a higher percentage of their income up to a threshold (ranging from 80% to 100%) and then a lower percentage of income (ranging from 50% to 65%) above that threshold. In effect, this will create a sliding scale of benefits. The exact thresholds vary from state to state, but are typically tied to a percentage of the state's average weekly wage or to the state's minimum wage.⁴

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In every program, benefits are subject to a cap (a maximum weekly benefit). In many states, this cap is set as a percentage of the state's average weekly wage, so that it adjusts each year in response to growth in wages. Other programs use other mechanisms to ensure the benefit keeps pace with growth; for example, D.C.'s program will adjust benefits each year in response to regional inflation.

Paid family and medical leave laws are social insurance systems. Though the mechanics vary by state, in all states the programs work by combining small contributions from employers, employees, or both into an insurance system. When workers need family or medical leave, the insurance system pays their benefits. This means that employers do not have to pay workers' wages out of pocket when they are out on leave, making providing paid leave inexpensive to the employer. This feature may be especially important for small employers, who often cannot afford to pay for paid leave out of pocket and therefore are at a competitive disadvantage in hiring the best employees as compared to larger employers who can afford to do so.

II. The need for Maryland to pass a paid family and medical leave law is overwhelming.

Shockingly, the United States remains one of only two countries in the world, along with Papua New Guinea, with no national paid parental leave benefit of any kind.⁵ Only 16% of private sector workers receive paid family leave through their employers to bond with a new child or care for a seriously ill or injured family member; among low-income workers, the number is even lower.⁶

This lack of access has predictable and devastating consequences for American families. Women without paid leave are more likely to be pushed into lower-paying jobs or to drop out of the work force entirely.⁷ In contrast, women who take paid leave after a child's birth are more likely to be employed nine to twelve months after the child's birth than working women who take no leave and new mothers who take paid leave are also more likely to report wage increases in the year following the child's birth.⁸ For working fathers, taking longer paid family leave means increased satisfaction in their contact with their children⁹ and greater engagement in their children's lives.¹⁰

Lack of paid leave also hurts children. When parents cannot take the leave they need, babies are less likely to get checkups and important vaccinations, less likely to breastfeed, and more likely to develop behavioral problems.¹¹ For foster children, the first few months are a critical adjustment period in the transition to a new placement,¹² during which children need time to bond with their foster parents. Seriously ill children benefit when their parents can afford time off to care for them. Research shows that ill children

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have better vital signs, faster recoveries, and reduced hospital stays when cared for by parents.¹³

Nor is the need for family leave limited to new parents: today, nearly one in three U.S. households provide care for an adult loved one with a serious illness or disability.¹⁴ With an aging population, these numbers will only increase in the future. Family caregivers can help these individuals recover more quickly and spend less time in hospitals.¹⁵ Policies that support family caregiving create savings that benefit all Maryland taxpayers. Unpaid family caregivers not only help to ease the burden on our crowded hospitals and long-term care facilities but also create enormous financial savings. For example, recipients of family caregiving are less likely to have nursing home care or home health care paid for by Medicare.¹⁶ Because most caregivers providing care for adults are employed,¹⁷ the demands of providing care are in constant tension with earning a much-needed income.

Workers also need time off to address their own serious health needs. Nationwide, about 3 in 5 private sector workers lack access to short-term disability insurance through their employers, leaving them vulnerable when they need time off from work to address their serious health needs.¹⁸ Among low-income workers, these numbers are even more stark. Over 80% of those in the bottom quarter of earners and nearly 90% of those in the bottom tenth of earners lack access to short-term disability insurance through their employers.¹⁹ When workers do not have the leave they need, they may defer or forego necessary medical treatment.²⁰ For example, paid medical leave helps cancer patients and survivors determine a course of treatment, follow through with and avoid that treatment, and manage side effects.²¹

Medical problems are a leading cause of personal bankruptcy in this country²² and a frequent contributor to home foreclosures.²³ Without paid leave, those dealing with a disabling illness are often pushed onto public benefits.²⁴ Nearly 1 in 3 seriously ill workers either lose their jobs or have to change jobs as a result of their illness.²⁵ Paid medical leave can help workers balance their health needs with work and keep their jobs. Paid medical leave also helps keep workers safe on the job, increasing productivity and decreasing employer costs. Workers with paid medical leave are significantly less likely to suffer dangerous injuries on the job²⁶ or deaths on the job.²⁷ When workers must return to work before a chronic condition is stabilized or before they have healed from an injury, they are more likely to relapse or re-injure themselves while working.²⁸ Paid leave allows workers to recover and return to full productivity more quickly than they would by continuing to work.

Finally, military families lack the protections they need when their loved ones are called to active duty service of our country. In one recent national survey, the amount of time

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service members spend away from family was ranked as the top issue of concern for service members and military spouses.²⁹ Families that make these sacrifices deserve the paid time off they need to address the effects of deployment on their families and their lives. Moreover, due to the impacts of the military lifestyle, a shocking 30% of military spouses are unemployed, despite actively seeking employment, and many more are underemployed.³⁰ 52% of military spouses reported that unemployment and underemployment are the main obstacles to financial security.³¹ Ensuring that these patriots can take the time away they need and then return ready to work can help them maintain employment and better support their loved ones serving abroad and those who remain at home.

The Business Case for Paid Leave

Five states, California, New Jersey, Rhode Island, New York, and Washington State have already implemented paid family and medical leave programs, with programs in the works under laws passed in Washington, D.C., Massachusetts, Connecticut, and Oregon.³² The experiences of these states have shown that paid family and medical leave laws can provide critically needed benefits at an affordable cost and without burdening businesses.

Contrary to opponents' claims, paid leave does not hurt businesses and can even help. In California, 92.8% of employers reported that paid family leave had a positive or neutral effect on employee turnover,³³ saving employers the costly step of replacing an existing employee.³⁴ A majority of California employers also reported positive or neutral effects on productivity (88.5%), profitability/performance (91.0%), and employee morale (98.6%).³⁵

Nor is it true that paid family and medical leave is bad for small businesses. Without a state program, small businesses that cannot afford to offer the same generous leave benefits as larger companies are at a competitive disadvantage in hiring.³⁶ Providing paid leave through a social insurance program levels the playing field for small businesses. That is why, for example, one year after Rhode Island's paid family leave law went into effect, a majority of small employers reported they were in favor of the program.³⁷

The Health Case for Paid Leave

A robust and growing body of research demonstrates the substantial health benefits of paid family and medical leave for working families. For example, paid leave is associated with better physical and mental health for mothers, including a lower risk of postpartum depression.³⁸ Moms who return to work within twelve weeks of giving birth are less likely to breastfeed and, when they do, breastfeed for less time than those who stay home

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longer.³⁹ In this context, it is unsurprising that access to paid leave has substantial positive effects on breastfeeding. For example, one leading study of California's paid family leave program found that use of paid family leave more than doubled the average number of weeks of breastfeeding and, among workers with low-quality jobs, notably increased the percentage of women who initiated breastfeeding at all.⁴⁰

Paid leave is also tied to reduction in infant and child mortality. In one study of 141 countries, controlling for other factors, an increase of ten full-time-equivalent weeks of paid maternal leave reduced neonatal and infant mortality rates by 10% and the mortality rate of children younger than five by 9%.⁴¹ Expanding paid leave may also help redress existing maternal health disparities. For example, one study found that the positive effects of increasing the length of paid maternity leave are especially pronounced for low-resource families.⁴² Moreover, there are significant racial disparities in maternal health, especially for Black women who are significantly more likely to die in childbirth or experience serious complications than white women.⁴³ Greater access to paid leave can help bridge these gaps.

Family care leave also provides significant health benefits to both caregivers and care recipients. Ill children have better vital signs, faster recoveries, and reduced hospital stays when cared for by parents.⁴⁴ Paid leave is a crucial part of this equation, because parents with paid leave are more than five times more likely to care for their sick children than those without.⁴⁵ In one study, parents of children with special needs who received paid leave were more likely to report positive effects on their children's physical and mental health than those who took leave without pay.⁴⁶ Paid family care leave also has important health benefits for caregivers, who face many negative health repercussions from caregiving. Research shows that access to paid leave improves caregivers' mental and emotional health.⁴⁷

Paid medical leave provides workers extended time off to deal with their own serious health need, including acute conditions like cancer, chronic conditions like diabetes or asthma, or recovery from an accident or serious injury. Paid leave allows workers to get the treatment they need, when they need it. For example, paid medical leave helps cancer patients and survivors determine a course of treatment, follow through with that treatment, afford treatment, and manage side effects.⁴⁸ Paid leave also helps keep workers safe on the job, increasing productivity and decreasing employer costs. Workers with paid leave are significantly less likely to suffer dangerous injuries on the job⁴⁹ or deaths on the job (for example, from heart conditions).⁵⁰ When workers must return to work before a chronic condition is stabilized or before they have healed from an injury, they are more likely to relapse or re-injure themselves while working.⁵¹ Nationally, one in three U.S. adults under 65 has at least one chronic health condition.⁵² For workers who receive health insurance through their employers, taking needed leave can mean risking

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their coverage when they need it the most. Strong paid leave laws, like the bills before you today, protect workers' right to keep their employer-provided health insurance, ensuring that workers do not lose the coverage they need at these critical junctures.

While critics charge that employees will abuse the program, the evidence does not support that claim. Studies in California⁵³ and New Jersey⁵⁴ show little to no abuse of the programs.

III. A strong paid family and medical leave program contains several important aspects.

Key policy elements must be included for a strong paid family and medical leave program. New programs should be crafted along the same lines as the successful programs in the states that have enacted paid family and medical leave. The insurance program, like other state programs, should be financed by small contributions that will enable workers to take time off when they and their families need it the most. The following are key policy points that should be included in a comprehensive bill.

Private plans need appropriate guardrails.

Most state paid family and medical leave programs allow employers to meet their obligations under the law by using a private plan that meets all the law's requirements, rather than providing benefits through a state-run fund. However, in state paid family and medical leave laws that allow this option, the use of private plans is subject to certain essential safeguards to ensure that workers whose employers use private plans still receive the full protections of the law.

We are concerned that the private plan language currently in the bill is insufficient to guarantee that workers covered by private plans will truly receive the rights the law promises them in practice. We urge you to consult the examples of states like California,⁵⁵ New Jersey,⁵⁶ and Massachusetts,⁵⁷ which provide rigorous, specific criteria for the approval of private plans and for their continuing oversight to ensure compliance with the law in practice.

Specifically, we urge you to amend the existing private plan language (Section 8.3-706) in your bill to provide the following essential protections. First, the law must provide specific minimum requirements which all policies must meet, including things like covered purposes, eligibility criteria, number of weeks of benefits, and wage replacement rate. These criteria should make clear that, in order to be approved as meeting the law's requirements, a private plan must meet or exceed what the state plan provides on *each* of these points.

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Second, the law must provide clear limits on worker contributions, such that workers will never be asked to pay more than an amount set by the state, regardless of how their employer chooses to provide coverage. Workers should never be required to pay more because their employer has chosen to provide coverage privately rather than through the state fund.

Third, the law must set clear rules for how the benefits will be provided. Where the benefits are provided through the purchase of an insurance policy, the policy must be approved by and regulated by the state. Where the benefits are provided through employer self-insurance, that self-insurance must also be approved by the state, including requiring that employers provide proof that they have specifically set aside sufficient funds to pay for benefits. States that allow for self-insurance for paid family and medical leave benefits often provide that employers who seek to self-insure can be required to deposit a bond or other security with the state, further guaranteeing that funds will be there to pay for workers' benefits when they need them.⁵⁸

Fourth, the law must provide for strong, proactive enforcement to ensure that employers are meeting their obligations. The state must provide this ongoing enforcement to ensure that workers covered by private plans are truly receiving the benefits to which they are entitled under the law. As part of this enforcement, the law must provide serious penalties for employers or other plan providers who break the law.

Fifth, the law must explicitly provide for an appeals process through the state to challenge wrongful denials of workers' claims, regardless of how coverage is provided. This ensures that workers have equal recourse if their claim is denied, as well as providing the state with an essential oversight tool.

Sixth, to avoid any doubt or confusion, the law must explicitly state that workers covered by private plans are entitled to the same employment protections (such as the right to job protection or continuation of employment benefits) as those covered through the state fund. Workers' rights under the law remain the same regardless of how their benefits are provided.

Finally, the law must provide clear requirements for employers to provide notice to workers covered by private plans, to ensure that workers can easily identify who provides their coverage and apply for benefits when they need them. Without these requirements, the use of private plans can provide a barrier to workers' ability to access the benefits to which they are entitled by law due to confusion over where and how to apply. For example, New Jersey recently enacted a strong notice requirement for private plans.⁵⁹

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12 weeks is a minimum length of leave time to serve the purposes of this legislation.

A strong bill would provide at least twelve weeks of paid family and medical leave. This minimum benchmark, which is also consistent with the FMLA, ensures that workers have the time they need to attend to their own or a family member's serious health needs, address the impact of a family member's military deployment, or bond with a new child. Providing twelve weeks of coverage would also match the length of paid family leave coverage in New York (once the program is fully phased in) and Massachusetts and of paid family and medical leave coverage in Washington State, Connecticut, and Oregon.

The health benefits of providing 12 weeks of leave for bonding are overwhelming for children, mothers, and fathers. Children whose mothers do not return to work full time in the first 12 weeks are more likely to receive medical checkups and critical vaccinations.⁶⁰ Mothers who take at least 12 weeks of leave are also more likely to breastfeed, with important lasting health benefits for their children.⁶¹ Fathers who take longer leaves experience greater engagement in their children's lives;⁶² greater paternal engagement has cognitive and developmental advantages for children.⁶³ For foster children, the first few months are a critical adjustment period in the transition to a new placement,⁶⁴ during which children need time to bond with their foster parents. Experts including the American Academy of Pediatrics recommend that healthy full-term infants should not be enrolled in child care until they are at least 12 weeks old due to rapid developmental changes and the risk of developing severe undetected illness.⁶⁵

For new birth mothers, having less than 12 weeks of family leave is associated with increased symptoms of postpartum depression.⁶⁶ For working fathers, taking longer paid family leave means increased satisfaction in their contact with their children.⁶⁷

Job protection is critical to the ability of a worker to take this benefit for which the worker is paying.

A strong bill protects the jobs of workers taking paid family and medical leave under the law. Job protection for all employees covered by the program is an essential element—without it, it's not leave. This is especially important for low-income workers, who change jobs more often than other workers⁶⁸ and are more likely to be working part time⁶⁹ (including many part-time workers who would prefer to be working full time).⁷⁰ Massachusetts will provide job protection to all employees covered by its paid family and medical leave law, while New York and Rhode Island already provide job protection to all employees covered by their paid family leave laws.

The need for paid family and medical leave occurs at some of the most stressful times in a person's life: the arrival of a new child, a health crisis in the family, or a looming

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deployment. At these times, workers shouldn't have to worry whether they will have a job to return to after their leave. Without job protection, workers will pay for a program they can't use. Without a legal right to get their job back, many workers will be unable to take the leave they need—the risk to their long-term economic security will be too great. In one California study, fear of being fired was a commonly cited reason workers who were eligible for paid family leave under that state's program did not take it.⁷¹ In Rhode Island, 45% of workers who took leave under their state's paid family leave law (which provides job protection) said that without the law they would not have taken leave for fear of losing their job.⁷²

Job protection keeps workers attached to the workforce. When workers are unable to take short-term leave and then return to their job, they are often pushed out of the workforce altogether. One study estimated that men who leave the labor force early due to caring for an aging parent lose almost \$90,000 in wages, while women who do so lose over \$140,000 in wages.⁷³ Women who take paid leave after having a baby are more likely to be working 9 to 12 months after the birth than women who take no leave.⁷⁴ And keeping workers on the job saves taxpayers money. Both men and women who return to work after taking paid leave are much less likely to be receiving public assistance or food stamps in the year following their child's birth than those who return to work without taking family leave.⁷⁵

Workers need a decent wage replacement in order to be able to take time off, especially workers at the bottom of the economic spectrum.

A strong bill would provide a wage replacement rate that workers, especially low-income workers can afford to use. At a minimum, we strongly recommend providing a wage replacement rate of at least two-thirds (67%) of wages for all workers.

If possible, we also recommend adopting a progressive wage replacement system to ensure that all workers can afford to take the leave they need. Under progressive wage replacement systems, lower-income workers, who need to use all of their income to meet their basic needs, receive a higher proportion of their income while they are on leave. For example, the paid family and medical leave program in Washington State provides 90% of workers' wages up to a certain amount and 50% of workers' wages above that amount. Washington State's program currently caps benefits at \$1,000 per week, but benefits will be adjusted to 90% of the state average weekly wage in subsequent years. Progressive wage replacement systems strike a reasonable balance between meeting the needs of low-wage workers and offering a reasonable maximum benefit to help protect the solvency of the fund.

The wage replacement rate (the percentage of their own income workers receive while on leave) is an extremely important element of a paid family and medical leave law: if the

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rate is too low, workers will not be able to afford to take the leave they need. This problem can be especially acute for low-income workers living paycheck to paycheck, who need every dollar of their income to pay their bills. Moreover, for programs that are partially worker-funded, it is particularly essential to ensure that workers will not be required to pay for a program they cannot afford to use.

Though low-income workers are the most vulnerable, workers of any income level can find themselves unable to afford to take leave if the wage replacement rate is too low. In a major California study, workers across income levels reported that the 55% wage replacement level made it difficult to afford to use the program, potentially contributing to low rates of use.⁷⁶ For this reason, California amended their statute to raise the wage replacement rate, especially for low-wage workers. Maryland can learn from the experience of existing programs and create a benefit level that works for workers.

For purposes of family care, all close family members should be covered.

A strong bill includes the close family members for whom many workers will feel responsible and will therefore need leave to provide care should there be a serious illness. A thoughtful definition should help reflect and protect the diversity of Maryland's families. In today's families, many grandparents are raising grandchildren and both grandparents responsible for their grandchildren and grandchildren who owe their grandparents the care given them should be covered. Adult children with a serious illness are no less in need of care from their parents than any other adult to whom the worker is related. And many siblings look to their sisters or brothers as the first person to whom they would turn for care in the event of a serious illness.

Further, a strong bill would give covered workers the right to paid leave to care for their chosen families, loved ones to whom they may not have a legal or biological relationship. Three states—New Jersey, Connecticut, and Oregon—have already adopted paid family and medical leaves that include these loved ones. Nearly 600,000 households in Maryland, or 27% of households in the state, consist of an individual who lives alone.⁷⁷ In an emergency or during an illness, many individuals rely on care from chosen family—like close friends and loving neighbors—or extended family. Approximately 344,000 Maryland residents live with nonrelatives—such as roommates, friends, or significant others.⁷⁸ When an individual is sick or has a medical emergency, they often rely on individuals they live with—even absent a blood or legal relationship—for help and caregiving. In a 2016 national survey conducted by the Center for American Progress, 32% of people in the United States reported that they took time off work to provide care for a chosen family member. Higher rates were reported by LGBTQ participants (42%, compared with 31% of non-LGBTQ participants) and participants with disabilities (42%, compared with 30% of participants without disabilities).⁷⁹ While

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many people rely on their chosen families for care, chosen families can be especially important to LGBTQ people, particular LGBTQ older adults, who are especially likely to rely on those loved ones.⁸⁰

Self-employed workers deserve the opportunity to get coverage if they choose.

A strong bill would allow self-employed workers, including independent contractors and freelancers, to opt in to coverage. Seven states—California, New York, Washington, D.C., Washington State, Massachusetts, Connecticut, and Oregon—have laws that allow or will allow such workers to opt in to coverage under their respective programs. By even conservative measures, more than one in ten American workers are self-employed (as of 2015),⁸¹ though some counts place the number even higher.⁸² A disproportionately high number of caregivers—in one study, as many as one in six—are self-employed.⁸³ Self-employment can be a double-edged sword for the ability to take leave, trading off (at least theoretically) greater control of one’s work schedule with less reliable income and fears of losing clients or work due to absence.

Recently, the rise of the so-called “gig economy” has placed increasing importance on ensuring basic protections for independent contractors and other self-employed workers, even as it raises significant questions regarding whether these workers are in fact employees who have been misclassified as contractors.⁸⁴ Despite their claims to provide flexibility, in practice platform companies like Uber often punish workers for not being available during profitable time slots, making it risky to take needed leave.⁸⁵ Moreover, as with other low-income workers, taking unpaid time away from work may be economically unfeasible for many gig economy workers who struggle to find enough hours of work.⁸⁶ New laws must, therefore, account for the needs of these workers and ensure that they can access the tools they need to take real leave regardless of whether they are considered traditional “employees.”

Portable benefits meet the needs of a changing workforce.

A strong bill would provide portable benefits—benefits that workers can take with them as they move from job to job or combine multiple sources of income. As workers increasingly find themselves in nonstandard, precarious, and insecure jobs, portable benefits are increasingly essential. Low-income workers in particular may be more likely to change jobs than other workers more generally, even with employment that is not formally set up as temporary. Without needed protections, like eligibility standards that promote portability, a worker who happens to change jobs shortly before a life event requiring leave could be excluded, even if that worker had a long tenure and qualified in their prior position.

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Additionally, a bill should provide benefits to previously covered workers during unemployment. Many nonstandard employees may go through periods of unemployment between periods of employment. For example, temporary workers may have gaps between engagements or seasonal workers may struggle to find sufficient work in the off-season. For these workers, it is important that they can still access benefits they previously qualified for if the need arises during a period of unemployment.

Outreach and education are important.

Especially in a program in which employees are paying in part for the benefit, it is very important that workers know about the benefit if there is a covered event in their lives. Strong bills include provisions committing the state to providing outreach and education on the new program and require employers to provide their employees with notice of their rights.

Maryland has taken an important step forward today by examining paid family and medical leave. We thank you for the opportunity to submit this testimony and for all your efforts to enact the crucial protections working families need.

¹ Hawaii's law continues to provide for TDI benefits, but has not been expanded to provide paid family leave benefits. Under the law, workers can receive TDI benefits for up to twenty-six weeks. Workers receive 58% of their own income through TDI, up to a cap.

² Some state paid family and medical leave laws also cover state or local government employees, while others generally allow public sector employer to opt in to coverage or allow unionized public sector workers to negotiate for coverage through the bargaining process.

³ Massachusetts will provide up to twenty-six weeks of family leave benefits for military caregivers.

⁴ For exact details by state, please see the attached chart.

⁵ INTERNATIONAL LABOUR ORGANIZATION, MATERNITY AND PATERNITY AT WORK: LAW AND PRACTICE ACROSS THE WORLD 16 (2014), *available at* http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_242615.pdf.

⁶ *National Compensation Survey: Employee Benefits in the United States, Mar. 2018*, U.S. Bureau of Labor Statistics, Table 32 (2018), <https://www.bls.gov/ncs/ebs/benefits/2018/ownership/private/table32a.htm>.

⁷ Sara Cohen, *Have Your Cake and Eat It Too: How Paid Maternity Leave in the United States Could End the Choice Between Career & Motherhood*, 36 WOMEN'S RTS. L. REP. 1, 9 (2014).

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⁸ Linda Houser & Thomas Vartanian, *Pay Matters: The Positive Economic Impacts of Paid Family Leave for Families, Businesses and the Public*, CENTER FOR WOMEN AND WORK (2012), p. 6-7, available at <http://www.nationalpartnership.org/research-library/work-family/other/pay-matters.pdf>.

⁹ Linda Haas & C. Phillip Hwang, “The Impact of Taking Parental Leave on Fathers’ Participation in Childcare and Relationships with Children: Lessons from Sweden,” *Community, Work & Family*, 11:1, 85-104.

¹⁰ Maria del Carmen Huerta et al., *Fathers’ Leave, Fathers’ Involvement and Child Development Are They Related? Evidence from Four OECD Countries* (2013).

¹¹ Lawrence M. Berger, Jennifer Lynn Hill, & Jane Waldfogel, *Maternity Leave, Early Maternal Employment and Child Health and Development in the US*, 115 THE ECON. J.L no. 501, F29, F45 (2005).

¹² Annette Semanchin Jones & Susan J. Wells, *PATH/Wisconsin-Bremer Project: Preventing Disruptions in Foster Care* (2008).

¹³ See S. J. Heymann, A. Earle & B. Egleston, *Parental Availability for the Care of Sick Children*, *Pediatrics*, Vol. 98 No. 2 (Aug. 1996), p. 226-30; S.J. Heymann, *THE WIDENING GAP: WHY AMERICA’S WORKING FAMILIES ARE IN JEOPARDY AND WHAT CAN BE DONE ABOUT IT* (2000), p. 57.

¹⁴ Catherine Albiston & Lindsey Trimble O’Connor, *Just Leave*, 39 HARV. J. L. & GENDER 1, 16 (2016).

¹⁵ See, e.g., A. Houser & M.J. Gibson, *Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*, AARP Public Policy Institute (Nov. 2008), pp. 1-2, 6; *Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving*, AARP (June 2007), p. 6.

¹⁶ Houser & Gibson, *supra* note 15, at 6.

¹⁷ *Caregiving in the U.S.*, AARP & National Alliance for Caregiving (June 2015), p. 56, available at <http://www.aarp.org/content/dam/aarp/ppi/2015/caregiving-in-the-united-states-2015-report-revised.pdf>.

¹⁸ U.S. Bureau of Labor Statistics, *Employee Benefits Survey: Mar. 2018*, Table 16 (2018), <https://www.bls.gov/ncs/ebs/benefits/2018/ownership/private/table16a.pdf>.

¹⁹ *Id.*

²⁰ See Abt Associates Inc., *Family and Medical Leave in 2012: Technical Report* 131 (Sep. 2012), <https://www.dol.gov/asp/evaluation/fmla/FMLA-2012-Technical-Report.pdf>.

²¹ Elizabeth Harrington & Bill McInturff, *Key Findings -- National Surveys of Cancer Patients, Survivors, and Caregivers*, American Cancer Society Cancer Action Network (2017),

<https://www.acscan.org/sites/default/files/ACS%20CAN%20Paid%20Leave%20Surveys%20Key%20Findings%20Press%20Memo%20FINAL.pdf>. The results of this survey

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strongly suggest that other workers with chronic or serious illnesses will have better access to treatment and care when they are able to take paid time off from work.

²² See David U. Himmelstein, Deborah Thorne, Elizabeth Warren, Steffie Woolhandler, *Medical Bankruptcy in the United States, 2007: Results of a National Study*, 122 AM. J. OF MED. 742 (2009).

²³ Christopher Tarver Robertson, Michael Hoke, & Richard Egelhof, *Get Sick, Get Out: The Medical Causes of Home Mortgage Foreclosures*, 18 HEALTH MATRIX 65, 68 (2008).

²⁴ See Anne L. Alstott, *Why the EITC Doesn't Make Work Pay*, LAW & CONTEMP. PROBS. 285, 311-12 (Winter 2010).

²⁵ The Commonwealth Fund, The New York Times, & Harvard T.H. Chan School of Public Health, *Being Seriously Ill in America Today* 8 (Aug. 2018), <https://cdn1.sph.harvard.edu/wp-content/uploads/sites/94/2018/10/CMWF-NYT-HSPH-Seriously-Ill-Poll-Report.pdf>.

²⁶ Abay Asfaw *et al.*, *Paid Sick Leave and Nonfatal Occupational Injuries*, 102.9 AMERICAN JOURNAL OF PUBLIC HEALTH e59-e64 (2012), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3482022/>.

²⁷ Daniel Kim, *Paid Sick Leave and Risks of All-Cause and Cause-Specific Mortality Among Adult Workers in the USA*, 14.10 Int. J. of Env. Research and Pub. Health 1247 (2017), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5664748/pdf/ijerph-14-01247.pdf>.

²⁸ T.G. Hollo, *Evaluating family and medical leave insurance for Washington state*, 11 Economic Opportunity Institute (May 2012), <http://www.opportunityinstitute.org/wp-content/uploads/family-leave-insurance/EvaluatingFamilyandMedicalLeave-Jan13.pdf>.

²⁹ *Military Family Lifestyle Survey: Comprehensive Report*, BLUE STAR FAMILIES, p. 20 (2018), available at <https://bluestarfam.org/wp-content/uploads/2019/03/2018MFLS-ComprehensiveReport-DIGITAL-FINAL.pdf>.

³⁰ *Id.* at 10

³¹ *Id.*

³² Paid family and medical leave benefits will begin in Washington, D.C. on July 1, 2020, Massachusetts in 2021, Connecticut in 2022, and Oregon in 2023.

³³ Eileen Appelbaum & Ruth Milkman, *Leaves That Pay: Employer and Worker Experience with Paid Family Leave in California* (2011), CENTER FOR ECONOMIC AND POLICY RESEARCH, p. 8, available at <https://cepr.net/documents/publications/paid-family-leave-1-2011.pdf>.

³⁴ Replacing an employee costs 50-75% of an hourly employee's annual pay and up to 150% of a salaried employee's annual pay. Jodie Levin-Epstein, *Getting Punched: The Job and Family Clock* (2006), CENTER FOR LAW AND SOCIAL POLICY, p. 9, available at <http://www.clasp.org/resources-and-publications/files/0303.pdf>.

³⁵ Appelbaum & Milkman, *supra* note 33, at 8.

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³⁶ Eileen Appelbaum & Ruth Milkman, *Achieving a Workable Balance*, CENTER FOR WOMEN AND WORK (2006), p. 23, available at <https://smlr.rutgers.edu/sites/default/files/images/achieving%20a%20workable%20balance%202006%20Appelbaum.pdf>.

³⁷ 56% of employers with 10-19 employees and 59% of employers with 20-49 employees were in favor of the program. Ann Bartel, Maya Rossin-Slate, Christopher Ruhm, & Jane Waldfogel, *Assessing Rhode Island's Temporary Caregiver Insurance Act: Insights from a Survey of Employers* (2016), p. 7, available at https://www.dol.gov/asp/evaluation/completed-studies/AssessingRhodeIslandTemporaryCaregiverInsuranceAct_InsightsFromSurveyOfEmployers.pdf.

³⁸ Zoe Aitken et al., *The Maternal Health Outcomes of Paid Maternity Leave: A Systematic Review*, SOCIAL SCIENCE & MEDICINE 130 (2015) 32-41; Belinda Hewitt et al., *The Benefits of Paid Maternity Leave for Mothers' Post-Partum Health and Wellbeing: Evidence from an Australian Evaluation*, SOCIAL SCIENCE & MEDICINE 182 (2017) 97-105; Pinka Chatterji & Sara Markowitz, *Family Leave After Childbirth and the Mental Health of New Mothers*, THE JOURNAL OF MENTAL HEALTH POLICY AND ECONOMICS 15 (2012).

³⁹ Berger, Hill, & Waldfogel, *supra* note 11, at F29, F39-F40.

⁴⁰ Appelbaum & Milkman, *supra* note 33, at 25-26.

⁴¹ Jody Heymann, Amy Raub, & Alison Earle, *Creating and Using New Data Sources to Analyze the Relationship Between Social Policy and Global Health: The Case of Maternal Leave*, PUBLIC HEALTH REP. 126 (Suppl 3): 127-134 (2011) <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3150137/>.

⁴² Louise Voldby Beuchert et al., *The Length of Maternity Leave and Family Health*, 43 LABOUR ECONOMICS 55, 67 (2016).

⁴³ National Partnership for Women & Families, *Black Women's Maternal Health: A Multifaceted Approach to Addressing Persistent and Dire Health Disparities*, <http://www.nationalpartnership.org/research-library/maternal-health/black-womens-maternal-health-issue-brief.pdf> (April 2018).

⁴⁴ See Heymann, Earle & Egleston, *supra* note 13, at 226-30; Heymann, *supra* note 13.

⁴⁵ Jody Heymann, Sarah Toomey, & Frank Furstenberg, *Working Parents: What Factors Are Involved in Their Ability to Take Time Off from Work When Their Children Are Sick?* ARCHIVES OF PEDIATRICS & ADOLESCENT MEDICINE, vol. 163, no. 8, fn 4-2 (Aug 1999).

⁴⁶ Mark A Schuster, et al., *Perceived Effects of Leave from Work and the Role of Paid Leave Among Parents of Children with Special Health Care Needs*. AMERICAN JOURNAL OF PUBLIC HEALTH, 99(4):698-705 (April 2009), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2661484/>.

⁴⁷ Alison Earle & Jody Heymann, *Protecting the Health of Employees Caring for Family Members with Special Health Care Needs*, SOCIAL SCIENCE & MEDICINE, 73:68-78 (July

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<http://www.sciencedirect.com/science/article/pii/S0277953611002917?via%3Dihub>;
Schuster, *et al.*, *supra* note 46.

⁴⁸ Harrington & McInturff, *supra* note 21. The results of this survey strongly suggest that other workers with chronic or serious illnesses will have better access to treatment and care when they are able to take paid time off from work.

⁴⁹ Asfaw *et al.*, *supra* note 26.

⁵⁰ Daniel Kim, *Paid Sick Leave and Risks of All-Cause and Cause-Specific Mortality Among Adult Workers in the USA*. 14.10 INT. J. OF ENV. RESEARCH AND PUB. HEALTH 1247 (2017), <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5664748/pdf/ijerph-14-01247.pdf>.

⁵¹ Hollo, *supra* note 28.

⁵² *Workers Affected By Chronic Conditions: How Can Workplace Policies And Programs Help?*, GEORGETOWN UNIV. HEALTH POLICY INST., Issue Brief Number 7 (June 2004), <https://hpi.georgetown.edu/agingsociety/pubhtml/workplace/workplace.html>.

⁵³ California Employment Development Department's Annual Report on Fraud, Deterrence and Detection Activities, A Report to the California Legislature. June 2018; https://www.edd.ca.gov/About_EDD/pdf/Fraud_Deterrence_and_Detection_Activities_2018.pdf.

⁵⁴ Sharon Lerner & Eileen Appelbaum, *Business As Usual: New Jersey Employers' Experiences with Family Leave Insurance*, Center for Economic and Policy Research (June 2014), www.cepr.net/documents/nj-fli-2014-06.pdf.

⁵⁵ Cal. Unemp. Ins. Code §§ 3251-3272.

⁵⁶ N.J. Stat. Ann. §§ 43:21-32 to -36

⁵⁷ Mass. Gen. Laws ch. 175M, § 11.

⁵⁸ *See, e.g.*, Cal. Unemp. Ins. Code § 3258; NY Workers' Comp. Law § 211(3).

⁵⁹ N.J. Stat. Ann. § 43:21-32.

⁶⁰ Berger, Hill, & Waldfogel, *supra* note 11.

⁶¹ *Id.*

⁶² del Carmen Huerta *et al.*, *Fathers' Leave, Fathers' Involvement and Child Development Are They Related?*

⁶³ Ann Sarkadi *et al.*, "Fathers' involvement and children's developmental outcomes: a systematic review of longitudinal studies," *Acta Paediatrica* 97: 153-158 (2008).

⁶⁴ Jones & Wells, *supra* note 12.

⁶⁵ American Academy of Pediatrics, American Public Health Association, and National Resource Center for Health and Safety in Child Care and Early Education, *Caring for Our Children: National Health and Safety Performance Standards*, Third Edition (2011).

⁶⁶ Chatterji & Markowitz, *supra* note 38, at 61-76.

⁶⁷ Haas & Hwang, "The Impact of Taking Parental Leave on Fathers' Participation in Childcare and Relationships with Children", 85-104.

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⁶⁸ Jacquelyn Anderson, Linda Yuriko Kato, & James A. Riccio, *A New Approach to Low-Wage Workers and Employers*, MDRC 5 (Mar. 2006)

https://www.mdrc.org/sites/default/files/full_9.pdf.

⁶⁹ *Who Are Low-Wage Workers?* Office of the Assistant Sec’y for Planning & Eval., U.S. Dep’t of Health & Human Servs. (Feb. 2009)

<https://aspe.hhs.gov/system/files/pdf/180021/rb.pdf>.

⁷⁰ Lonnie Golden, *Still Falling Short on Hours and Pay: Part-time Work Becoming New Normal*, Econ. Policy Inst. (Dec. 5, 2016) <http://www.epi.org/publication/still-falling-short-on-hours-and-pay-part-time-work-becoming-new-normal/>.

⁷¹ Appelbaum & Milkman, *supra* note 33.

⁷² Barb Silver, Helen Mederer, & Emilija Djurdjevic, *Rhode Island’s Temporary Caregiver Insurance Program: Findings from the First Year* (2015).

⁷³ MetLife Mature Market Institute, *The Metlife Study of Caregiving Costs to Working Caregivers* (2011).

⁷⁴ Houser & Vartanian, *supra* note 8.

⁷⁵ California State Office of Research, “California’s Paid Family Leave Program,” July 1, 2014, p.6,

http://sor.senate.ca.gov/sites/sor.senate.ca.gov/files/Paid_Family_Leave_FINAL_A1b.pdf; Employment Development Department, “Paid Family Leave Market Research,” July 13, 2015, p. 86,

https://www.edd.ca.gov/Disability/pdf/Paid_Family_Leave_Market_Research_Report_2015.pdf.

⁷⁶ *Paid Family Leave Market Research* (Dec. 2015), p. 70, CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT, *available at*

http://www.edd.ca.gov/Disability/pdf/Paid_Family_Leave_Market_Research_Report_2015.pdf.

⁷⁷ *See Selected Social Characteristics in the United States: Maryland*, U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, Table DP02, https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_14_5YR_DP02&prodType=table%20c (last accessed October 2019) (showing that 29.1% of households consist of an individual living alone).

⁷⁸ *Id.*

⁷⁹ Katherine Gallagher Robbins et al., *People Need Paid Leave Policies That Cover Chosen Family*, Washington: Center for American Progress (2017), *available at* <https://www.americanprogress.org/issues/poverty/reports/2017/10/30/441392/people-need-paid-leave-policies-that-coverchosen-family/>.

⁸⁰ *Still Out, Still Aging: The MetLife Study of Lesbian, Gay, Bisexual, and Transgender Baby Boomers*, MetLife Mature Market Institute and American Society of Aging (March 2010), p. 15-17, <https://www.asaging.org/sites/default/files/files/mmi-still-out-still-aging.pdf>.

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⁸¹ Steven F. Hipple & Laurel A. Hammond, *Self-employment In The United States*, U.S. Bureau of Labor Statistics (Mar. 2016) <https://www.bls.gov/spotlight/2016/self-employment-in-the-united-states/pdf/self-employment-in-the-united-states.pdf>.

⁸² See Freelancer's Union & Upwork, *Freelancing in America* (Oct. 2018), <https://www.upwork.com/i/freelancing-in-america/2018/> (finding that more than one in three Americans freelanced in the past year); Shayna Strom & Mark Schmitt, *Protecting Workers in a Patchwork Economy*, The Century Found. (Apr. 7, 2016) <https://tcf.org/content/report/protecting-workers-patchwork-economy/>; Lawrence F. Katz & Alan B. Krueger, *The Rise and Nature of Alternative Work Arrangements in the United States, 1995–2015*, (Mar. 29, 2016) http://scholar.harvard.edu/files/lkatz/files/katz_krueger_cws_v3.pdf?m=1459369766.

⁸³ AARP Pub. Policy Instit. & Nat'l Alliance for Caregiving, *Caregiving in the U.S.* 11 (June 2015) <https://www.aarp.org/content/dam/aarp/ppi/2015/caregiving-in-the-united-states-2015-report-revised.pdf>.

⁸⁴ See, e.g., Rebecca Smith & Sarah Leberstein, *Rights On Demand: Ensuring Workplace Standards and Worker Security in the On-Demand Economy*, Nat'l Emp't Law Project (Sept. 2015) <https://www.nelp.org/wp-content/uploads/Rights-On-Demand-Report.pdf>.

⁸⁵ *Id.* at 6.

⁸⁶ See *id.* at 5-6.



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Overview of Paid Family & Medical Leave Laws in the United States

Eight U.S. states and the District of Columbia have paid family and medical leave laws on the books. This document provides an overview of these laws.

	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
What purposes can leave be used for?	Temporary disability insurance (TDI) can be used for a worker's own serious off-the-job illness or injury. Temporary caregiver insurance (TCI) can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; or (2) care for a family member with a serious health condition.	Disability insurance (DI) can be used for a worker's own serious off-the-job illness or injury. Paid family leave (PFL) can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; or (2) care for a family member with a serious health condition. <i>Beginning on January 1, 2021, PFL can also be used to address certain military family needs.</i>	Temporary disability insurance (TDI) can be used for a worker's own serious off-the-job illness or injury. Family leave insurance (FLI) can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; (2) care for a family member with a serious health condition; or (3) address certain non-medical needs arising from domestic or sexual violence, also known as "safe time."	Temporary disability insurance (TDI) can be used for a worker's own serious off-the-job illness or injury. Paid family leave (PFL) can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; (2) care for a family member with a serious health condition; or (3) address certain military family needs.	Universal paid leave (UPL) can be used (1) for a worker's own serious health condition; (2) to bond with a child within one year of the child's birth or placement for foster care or adoption; or (3) to care for a family member with a serious health condition. <i>Benefits begin on July 1, 2020.</i>	Medical leave can be used for a worker's own serious health condition. Family leave can be used to (1) bond with a child within one year of the child's birth or placement; (2) care for a family member with a serious health condition; or (3) address certain military family needs.	Medical leave can be used for a worker's own serious health condition. Family leave can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; (2) care for a family member with a serious health condition; or (3) address certain military family needs. <i>Benefits begin on January 1, 2021, except for benefits for family caregiving, which will begin on July 1, 2021.</i>	Medical leave can be used for a worker's own serious health condition. ¹⁰ Family leave can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; (2) care for a family member with a serious health condition; (3) address certain military family needs; or (4) address certain medical and non-medical needs arising from domestic violence, also known as "safe time." <i>Benefits begin between January 1 and February 1, 2022.</i>	Medical leave can be used for a worker's own serious health condition. Family leave can be used to (1) bond with a child within one year of the child's birth or placement for foster care or adoption; or (2) care for a family member with a serious health condition. Safe leave can be taken to address certain medical and nonmedical needs arising from domestic violence, harassment, sexual assault or stalking. <i>Benefits begin January 1, 2023.</i>



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	RI¹	CA²	NJ³	NY⁴	D.C.⁵	WA⁶	MA⁷	CT⁸	OR⁹
Who is covered?¹¹	Employees covered by the state unemployment insurance law, except for public employees, are covered.	Employees covered by the state unemployment insurance law, except for most public employees, are covered.	Employees covered by the state unemployment insurance law are covered, with some exceptions for public sector employees.	Most private sector employees are covered. ¹²	Most private sector employees are covered.	All employees are covered.	Employees covered by the state unemployment insurance law, except for some public employees, are covered.	All private sector and many public sector employees are covered.	Almost all employees are covered.
Are public sector workers automatically covered?¹³	No. Public employers can opt in to coverage, as can some unions covering public sector workers through the collective bargaining process.	No, with a few exceptions. Many public employers can opt in to coverage, but may need to do so through a negotiated agreement with an authorized bargaining unit.	Own health: No, with a few exceptions. Public employers can opt in to coverage. Paid family leave: Yes.	No. Public employers can opt in to coverage and unions covering public sector workers can opt in to paid family leave through the collective bargaining process.	No.	Yes.	State employees are automatically covered. Local government employees are not automatically covered. Public sector employers not covered by the law can opt in to coverage.	State employees are covered if their collective bargaining unit has negotiated coverage or if they are not in a collective bargaining unit. Municipal employees and employees of a local or regional board of education are covered if their collective bargaining unit has negotiated coverage or if they are not in a collective bargaining unit and their employer has negotiated coverage for members of any collective bargaining unit.	Yes, except employees of federal and tribal governments. Tribal governments may opt in to coverage.



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	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
Are domestic workers covered?	Yes, subject to a low minimum payment requirement.	Yes, subject to a low minimum payment requirement.	Yes, subject to a low minimum payment requirement.	Full-time domestic workers (those who work at least 40 hours per week for a single employer) are covered.	Yes, subject to a low minimum payment requirement.	Yes.	Yes.	Yes.	Yes.
Can self-employed workers opt in to coverage?	No.	Yes.	No.	Yes.	Yes.	Yes.	Yes. <i>Certain self-employed workers may be covered automatically.</i>	Yes.	Yes.
What are the requirements to qualify for benefits?	Workers must have earned wages in 1 quarter of the base period of at least 200 times the minimum wage (currently, \$2,100), must have earned income across the base period of at least 1.5 times the worker's highest earning quarter, and must have earned at least 400 times the minimum wage (currently, \$4,200) over the	Workers must have earned at least \$300 during the base period. The base period is the first 4 of the 5 most recently completed quarters <i>or</i> may include earlier quarters if the worker was unemployed during part of the base	Workers must have either earned at least 20 times the minimum wage (currently, \$172) in at least 20 weeks <i>or</i> earned at least 1,000 times the minimum wage (currently, \$8,600) during the base year. The base year is the first 4 of the 5 most recently completed quarters <i>or</i> the 4 most recent completed quarters	Own health: Workers generally must have been employed for at least 4 consecutive weeks by a single employer; ¹⁵ previously qualified workers qualify immediately upon the start of employment with a new covered employer. Paid family leave: Workers generally must have been employed by their current employer for at least 26 consecutive weeks; those who	While there are no formal eligibility requirements specified in the statute, workers who have worked for covered D.C. employers for less than 1 year may receive a prorated benefit amount. <i>Regulations will provide additional guidance on</i>	Workers must have worked at least 820 hours in the qualifying period. The qualifying period means the first 4 of the 5 most recently completed quarters or the 4 most recent completed quarters. This can combine hours worked at more than one employer.	Workers must have earned a minimum amount (currently, \$4,700) during the base period and must meet an earnings requirement tied to the worker's average earnings that, in effect, means the worker must have worked at least 15 weeks. The base period is the last 4 completed quarters <i>or</i> the 3 most recent	Workers must have earned at least \$2,325 during the highest earning quarter within the base period. The base period is the first 4 of the 5 most recently completed quarters. This can combine income from more than one employer.	Workers must have earned at least \$1,000 during the base year. The base year is the first 4 of the last 5 completed quarters or the 4 most recently completed quarters. This can combine income from more than one employer.



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	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
	<p>entire base period.</p> <p>The base period is the first 4 of the 5 most recently completed quarters <i>or</i> the 4 most recent completed quarters.</p> <p>This can combine income from more than one employer.</p>	<p>period.¹⁴</p> <p>This can combine income from more than one employer.</p>	<p><i>or</i> the 3 most recent completed quarters and the portion of the current quarter that has already occurred.</p> <p>This can combine income from more than one employer.</p>	<p>work less than 20 hours per week must have worked at least 175 days for their current employer.</p>	<p><i>specific eligibility requirements.</i></p>		<p>completed quarters and the portion of the current quarter that has already occurred.</p> <p>This can combine income from more than one employer.</p>		
What family members are covered?	<p>A family member includes a worker's child, parent, parent-in-law or parent of the worker's registered domestic partner, grandparent, spouse, or registered domestic partner.</p>	<p>A family member includes a worker's child, parent, grandparent, grandchild, sibling, spouse, registered domestic partner, or the parent of a worker's spouse or registered domestic partner.¹⁶</p>	<p>A family member includes a worker's child, parent, parent-in-law, sibling, grandparent, grandchild, spouse, registered domestic partner, civil union partner, any other person related to the worker by blood, and any other person that the worker shows to have a close association with the worker which is the equivalent of a family relationship.</p>	<p>A family member includes a worker's child, parent, parent-in-law, spouse, grandchild, grandparent, or domestic partner.¹⁷ The law's definition of domestic partner is flexible and does not require registration.¹⁸</p>	<p>A family member includes a worker's child, parent, parent-in-law, spouse, grandparent, sibling, or registered domestic partner.</p>	<p>A family member includes a worker's child, grandchild, grandparent, parent, parent-in-law or parent of the worker's registered domestic partner, sibling, spouse, or registered domestic partner.</p>	<p>A family member includes a worker's spouse, domestic partner, child, parent, parent of a spouse or domestic partner, grandchild, grandparent, or sibling. The law's definition of domestic partner is flexible and does not require registration.¹⁹</p>	<p>A family member includes a worker's spouse, sibling, son or daughter, grandparent, grandchild parent, parent-in-law, or an individual related to the employee by blood or affinity whose close association the employee shows to be the equivalent of those family relationships.²⁰</p>	<p>A family member includes a worker's spouse or registered domestic partner, sibling, child, child-in-law, grandparent, grandchild, parent, parent-in-law or parent of the worker's registered domestic partner, or any individual related by blood or affinity whose close association with a covered individual is the equivalent of a family relationship.²¹</p>

	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
How is the program funded?	Workers cover the full cost of both TDI and TCI. Both programs are funded by a single payroll deduction, currently set at 1.3% of wages. This deduction does not apply to wages above \$72,300/year.	Workers cover the full cost of both DI and PFL. Both programs are funded by a single payroll deduction, currently set at 1.0% of wages. This deduction does not apply to wages above \$122,909/year.	Workers and employers share the cost of TDI. Workers contribute 0.26% of their wages. Employers contribute a percentage of workers' wages ranging from 0.10% to 0.75%. The percentage contribution for employees does not apply to a worker's wages above \$134,900/year; the percentage contribution for employers does not apply to a worker's wages above \$35,300/year. Workers cover the full cost of FLI. The program is funded by a payroll deduction, currently set at 0.16% of wages. This deduction does not apply to wages above \$134,900/year. ²²	Workers and employers share the cost of TDI. Employers can withhold 0.5% of workers' wages to pay for coverage, up to \$0.60/week; employers cover the remaining cost. Workers cover the full cost of PFL. The program is funded by a payroll deduction, currently set at 0.270% of wages. This deduction does not apply to wages above an average of \$1,401.17/ week.	Employers cover the full cost of UPL. Employers contribute 0.62% of the wages of covered employees.	Workers and employers share the cost of medical leave. Employers can withhold up to 45% of the premium from workers' wages; employers cover the remaining cost. Employers with fewer than 50 employees in Washington State are not required to pay the employer portion. ²³ Initially, the <i>total</i> premium for medical leave will be about 0.27% of wages. Workers cover the full cost of family leave. Initially, the premium will be about 0.13% of wages. ²⁴ Premiums do not apply to wages above the Social Security contribution base.	Workers and employers share the cost of medical leave. Employers can withhold up to 40% of the premium from workers' wages; employers cover the remaining cost. Employers with fewer than 25 employees in Massachusetts are not required to pay the employer portion. ²⁵ Workers cover the full cost of family leave. Initially, the <i>total</i> premium for family and medical leave will be 0.75% of wages. Premiums do not apply to wages above the Social Security contribution base.	Workers cover the full cost of all leave. Workers contribute a percentage of wages set by the state, which will not exceed 0.5% of wages. Contributions do not apply to wages above the Social Security contribution base. <i>Contributions begin between January 1 and February 1, 2021.</i>	Workers and employers share the costs of all leave. Employers can withhold up to 60% of the contribution from workers' wages; employers cover the remaining costs. Employers with fewer than 25 employees are not required to pay the employer contribution. ²⁶ The total premium will not exceed 1% of wages. Premiums do not apply to wages above \$132,900/year. <i>Contributions begin January 1, 2022.</i>



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What percentage of wages do workers receive?	About 60% of a worker's average weekly wage (formally, 4.62% of a worker's wages in the highest earning quarter of the base year) ²⁷	Between 60% and 70% of a worker's average weekly wage, depending on their income ²⁸	2/3 of a worker's average weekly wage <i>Starting July 1, 2020, workers will receive 85% of their average weekly wage.</i>	Own health: 50% of a worker's average weekly wage Family leave: 60% of a worker's average weekly wage <i>When the program is fully phased in in 2021, workers will receive 67% of their average weekly wage for family leave.</i>	90% of a worker's average weekly wage up to an amount equal to 40 times 150% of the D.C. minimum wage and 50% of a worker's average weekly wage above an amount equal to 40 times 150% of the D.C. minimum wage ²⁹	90% of a worker's average weekly wage up to an amount equal to 50% of the statewide average weekly wage and 50% of a worker's average weekly wage above an amount equal to 50% of the statewide average weekly wage	80% of a worker's average weekly wage up to an amount equal to 50% of the statewide average weekly wage and 50% of a worker's average weekly wage above an amount equal to 50% of the statewide average weekly wage	95% of a worker's average weekly wage up to an amount equal to 40 times the state minimum wage and 60% of a worker's average weekly wage above an amount equal to 40 times the state minimum wage	100% of a worker's average weekly wage up to an amount equal to 65% of the statewide average weekly wage and 50% of a worker's average weekly wage above an amount equal to 65% of the statewide average weekly wage



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What is the maximum weekly benefit?	85% of the statewide average weekly wage <i>Current: \$867/week</i>	About 100% of the statewide average weekly wage <i>Current: \$1,300/week</i>	53% of the statewide average weekly wage <i>Current: \$667/week</i> <i>Starting July 1, 2020, the cap will be 70% of the statewide average weekly wage.</i>	Own health: \$170/week Family leave: 60% of the statewide average weekly wage <i>Current: \$840.70/week</i> <i>When the program is fully phased in in 2021, the cap for family leave will be 67% of the statewide average weekly wage.</i>	\$1,000 per week, adjusted annually based on inflation	\$1,000 per week initially, adjusted annually after the first year to 90% of the statewide average weekly wage	\$850 per week initially, adjusted annually after the first year to 64% of the statewide average weekly wage	60 times the state minimum wage <i>When benefits begin in 2022, the maximum weekly benefit will be \$780.</i>	120% of the statewide average weekly wage.



the work and family legal center

	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
For how long can a worker receive benefits?	<p>Own health: Up to 30 weeks in a 52-week period.³⁰</p> <p>Family leave: Up to 4 weeks in a 52-week period.</p> <p>Total: Up to 30 weeks in a 52-week period.</p>	<p>Own health: Up to 52 weeks for any period of disability.³¹</p> <p>Family leave: Up to 6 weeks in a 12-month period.</p> <p><i>California does not specify a cumulative limit.</i></p> <p><i>Starting July 1, 2020, workers will be able to take up to 8 weeks of family leave.</i></p>	<p>Own health: Up to 26 weeks for any period of disability.³²</p> <p>Family leave: Up to 6 weeks in a 12-month period.</p> <p><i>New Jersey does not specify a cumulative limit.</i></p> <p><i>Starting July 1, 2020, workers will be able to take up to 12 weeks of family leave.</i></p>	<p>Own health: Up to 26 weeks for any period of disability or in any 52-week period.</p> <p>Family leave: Up to 10 weeks in a 52-week period.</p> <p>Total: Up to 26 weeks in a 52-week period.</p> <p><i>When the program is fully phased in in 2021, workers will be able to take up to 12 weeks of family leave.³³</i></p>	<p>Own health: Up to 2 weeks in a 52-week period.</p> <p>Caring for a seriously ill relative: Up to 6 weeks in a 52-week period.</p> <p>Bonding with a new child: Up to 8 weeks in a 52-week period.</p> <p>Total: Up to 8 weeks in a 52-week period.</p>	<p>Own health: Up to 12 weeks in a 52-week period.³⁴</p> <p>Family leave: Up to 12 weeks in a 52-week period.³⁵</p> <p>Total: Up to 16 weeks in a 52-week period.³⁶</p> <p><i>Workers with certain pregnancy-related health needs may receive up to an additional 2 weeks of benefits, which can be combined with other uses up to a total of 18 weeks in a 52-week period.</i></p>	<p>Own health: Up to 20 weeks in any benefit year.</p> <p>Family leave: Up to 12 weeks in any benefit year.</p> <p>Total: Up to 26 weeks in any benefit year.</p> <p><i>Military caregivers can receive up to 26 weeks of family leave in any benefit year.</i></p>	<p>Own health: Up to 12 weeks in a 12-month period.</p> <p>Family leave: Up to 12 weeks in a 12-month period.</p> <p>Total: Up to 12 weeks in a 12-month period.</p> <p><i>Workers with certain pregnancy-related health needs may receive up to an additional 2 weeks of benefits, which can be combined with other uses up to a total of 14 weeks in a 12-month period.</i></p>	<p>Own health: Up to 12 weeks in any benefit year.</p> <p>Family leave: Up to 12 weeks in any benefit year.</p> <p>Safe leave: Up to 12 weeks in any benefit year.</p> <p>Total: Up to 12 weeks in any benefit year.</p> <p><i>Workers with certain pregnancy- and childbirth-related health needs (including lactation) may receive up to an additional 2 weeks of benefits, which can be combined with other uses up to a total of 14 weeks in any benefit year.</i></p>

	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
Is there an unpaid waiting period?	No.	Own health: Yes—there is a 7-day unpaid waiting period. Family leave: No.	Own health: Yes—there is a 7-day unpaid waiting period. However, if a worker is eligible for benefits during each of 3 consecutive weeks after the waiting period, that worker can also be paid benefits for the waiting period. Family leave: No.	Own health: Yes—there is a 7-day unpaid waiting period. Family leave: No.	Yes—there is a 1-week unpaid waiting period.	Own health and family leave other than bonding leave: Yes—there is a 7-day unpaid waiting period. Bonding leave: No.	Yes—there is a 7-day unpaid waiting period.	No.	No.
Are workers entitled to have their jobs back when they return?	Own health: No. Family leave: Yes. ³⁷ <i>Workers may have protections under other laws, such as the FMLA or the Rhode Island Parental and Family Medical Leave Act.</i>	No. <i>Workers may have protections under other laws, such as the FMLA or the California Family Rights Act.</i>	<i>The law was recently amended to add additional anti-retaliation provisions, which may be clarified by regulation.</i> <i>Workers may have protections under other laws, such as the FMLA or the New Jersey Family Leave Act.</i>	Own health: No. Family leave: Yes. ³⁸ <i>Workers may have protections under other laws, such as the FMLA.</i>	No. <i>Workers may have protections under other laws, such as the FMLA or the D.C. Family & Medical Leave Act.</i>	Yes, but only for workers who meet specific eligibility criteria similar to those for the FMLA. ³⁹ <i>Workers may have protections under other laws, such as the FMLA.</i>	Yes. ⁴⁰ <i>Workers may have protections under other laws, such as the FMLA or the Massachusetts Parental Leave Act.</i>	Yes, if they have been employed by their employer for at least 3 months before requesting leave, except for leaves taken for safe time. ⁴¹ <i>Workers may also have protections under other laws, such as the FMLA or Connecticut's family violence leave law.</i>	Yes, if they have been employed by their employer for at least 90 days before taking leave. ⁴² <i>Workers may also have protections under other laws, such as the FMLA or the Oregon Family Leave Act.</i>

	RI ¹	CA ²	NJ ³	NY ⁴	D.C. ⁵	WA ⁶	MA ⁷	CT ⁸	OR ⁹
How is the insurance provided?	All covered workers are covered through the state fund.	By default, workers are covered through the state fund. Employers can apply for approval of a voluntary plan, which must provide benefits greater than those available through the state.	By default, workers are covered through the state fund. Employers can apply for approval of a private plan, which must provide benefits at least equivalent to those available through the state.	Employers can provide coverage by purchasing insurance (either from the state fund or a private insurer) or by becoming an approved self-insurer.	All covered workers are covered through the district fund.	By default, workers are covered by the state fund. Employers can apply for approval of a voluntary plan, which must provide benefits at least equivalent to those available through the state.	By default, workers are covered by the state fund. Employers can apply for approval of a private plan, which must provide benefits at least equivalent to those available through the state.	By default, workers are covered by the state fund. Employers can apply for approval of a private plan, which must provide benefits at least equivalent to those available through the state.	By default, workers are covered by the state fund. Employers can apply for approval of an equivalent plan, which must provide benefits at least equivalent to those available through the state.

Hawaii also has a temporary disability insurance (TDI) program, which provides benefits to most workers for up to 26 weeks (save for a 1-week waiting period) for any period of serious off-the-job illness or injury. To be eligible for benefits, workers must have been employed for at least 14 weeks, during each of which the worker worked at least 20 hours and earned at least \$400 in wages, during the 52 weeks immediately prior to the start of disability. This can combine income from more than one employer. Under the program, a worker receives 58% of a worker’s average weekly wage up to a cap of about 70% of the statewide average weekly wage. Hawaii does not provide paid family leave.⁴³

¹ R.I. Gen. Laws § 28-39-1 *et seq.*

² Cal. Unemp. Ins. Code § 2601 *et seq.* San Francisco has enacted a municipal law that grants additional benefits for parental leave for many workers.

³ N.J. Stat. Ann. § 43:21-25 *et seq.*

⁴ N.Y. Workers’ Comp. Law § 200 *et seq.* For more information on New York’s paid family leave law, visit [FamilyLeaveWorks.org](https://familyleaveworks.org).

⁵ D.C. Code Ann. § 32-541.01 *et seq.*

⁶ Wash. Rev. Code *et seq.* 50A.04.005.

⁷ The law is only partially codified. For the full text of the law, see <https://malegislature.gov/Laws/SessionLaws/Acts/2018/Chapter121>.

⁸ Conn. Legis. Serv. P.A. 19-25 (S.B. 1). The law is only partially codified. For the full text of the law, see <https://www.cga.ct.gov/2019/lcoamd/pdf/2019LCO09302-R00-AMD.pdf>.

⁹ See Or. Enrolled House Bill 2005 (HB 2005-B). The law is only partially codified. For the full text of the law, see <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2005/Enrolled>.

¹⁰ Connecticut’s law also specifies that leave can be taken to be an organ or bone marrow donor. This purpose may also be covered under other paid family and medical leave laws.

¹¹ California, New Jersey, and Rhode Island also provide some coverage for previously covered workers who have a qualifying need for family or medical leave while they are unemployed, while New York and Hawaii also provide some coverage for previously covered workers who have a qualifying need related to the worker's own health. Details vary by state. States that aren't currently implementing their programs will also likely provide some coverage for previously covered workers during unemployment, though final regulations will be needed to specify details.

¹² For a list of exceptions, visit http://www.wcb.ny.gov/content/main/offthejob/WhoCovered_DB.jsp.

¹³ Note that no state law covers federal employees.

¹⁴ If a worker was unemployed and actively seeking work for at least 60 days of a quarter or quarters during the base period, that quarter or quarters is excluded from the base period and an equal number of quarters from the period immediately prior to the base period are substituted.

¹⁵ Employees who are regularly in the employment of a single employer on a work schedule that is less than the employer's normal work week become eligible for disability leave benefits on the 25th day of such employment.

¹⁶ This list covers family members for whom a worker can take leave to care for when they are seriously ill. Starting January 1, 2021, paid family leave can also be used to address certain needs arising from the active duty military service of a worker's spouse, domestic partner, child, or parent.

¹⁷ This list covers family members a worker can take leave to care for when they are seriously ill. Paid family leave can also be used to address certain needs arising from the active duty military service of a worker's spouse, domestic partner, child, or parent.

¹⁸ The definition of domestic partner includes any person who is at least 18 years old and "is dependent upon the employee for support as shown by either unilateral dependence or mutual interdependence, as evidenced by a nexus of factors including, but not limited to, common ownership of real or personal property, common householding, children in common, signs of intent to marry, shared budgeting, and the length of the personal relationship with the employee"

¹⁹ The definition of domestic partner includes any person who is at least 18 years old and "is dependent upon the covered individual for support as shown by either unilateral dependence or mutual interdependence that is evidenced by a nexus of factors including, but not limited to: (A) common ownership of real or personal property; (B) common householding; (C) children in common; (D) signs of intent to marry; (E) shared budgeting; and (F) the length of the personal relationship with the covered individual"

²⁰ This list covers family members a worker can take leave to care for when they are seriously ill. Paid family leave can also be used to address certain needs arising from the active duty military service of a worker's spouse, child, parent, or next of kin. Note that safe time can only be used when the worker, not a family member, is a victim of domestic violence.

²¹ Workers can also take leave to care for the spouse or registered domestic partner of the worker's parent, sibling, grandparent, and grandchild. This list covers family members a worker can take leave to care for when they are seriously ill. Paid leave under the law can also be used as safe leave to address certain medical and non-medical needs arising out of the worker or the worker's minor child or dependent being a victim of domestic violence, harassment, sexual assault, or stalking.

²² These percentages are based on participation in the state plan. If an employer chooses a private plan, employees can only be required to contribute as much as they would have contributed to the state plan; these employees can only be required to contribute if a majority of employees agree to the private plan before it goes into effect. See <https://myleavebenefits.nj.gov/labor/myleavebenefits/employer/index.shtml?open=PrivatePlan>.

²³ Employers with 50-150 employees who must pay all of the premiums or employers with fewer than 50 employees who choose to cover the employee portion of the premium may apply to receive certain grants from the state.

²⁴ The initial total premium for both family and medical leave will be set at 0.4% of employees' wages, one third of which shall be associated with family leave and two thirds of which shall be associated with medical leave. The state will set the premium in subsequent years based on a formula set by statute. In addition, the state will set the maximum wages subject to premium contributions based on the maximum wages subject to social security taxation. Employers may choose to cover all or part of employees' share of the premium for family and/or medical leave.

²⁵ For purposes of determining the number of employees, self-employed people who are part of the employer's workforce are considered employees if self-employed people make up more than fifty percent of the employer's workforce.

²⁶ Employers with less than 25 employees may apply to receive certain grants if they elect to pay the employer contribution.

²⁷ In addition, workers may also be entitled to a dependency allowance for minor children or adult children who are incapacitated due to physical or mental illness.

²⁸ Very low-wage workers receive a fixed benefit amount set by statute, which may result in higher wage replacement rates.

²⁹ Workers with less than a year of total covered employment will receive a smaller benefit, pro-rated based on the numbers of weeks the worker has worked in covered employment.

³⁰ While technically there is no time limit on receiving benefits, workers cannot receive benefits worth more than 30 times their weekly benefit rate in a year, in effect limiting workers to 30 weeks per year.

³¹ While technically there is no time limit on receiving benefits, workers cannot receive benefits worth more than 52 times their weekly benefit rate for any continuous period of disability, in effect limiting workers to 52 weeks per continuous period of disability.

³² In addition, no worker can receive benefits worth more than 26 times their weekly benefit amount in a year.

³³ Workers may take up to a cumulative total of 26 weeks of TDI and PFL in a 52-week period.

³⁴ Technically, workers are entitled to medical leave benefits for up to 12 times their typical workweek hours. As noted above, medical leave may be extended by an additional 2 weeks (2 times a worker's typical workweek hours) if the worker experiences a serious health condition with a pregnancy that results in incapacity.

³⁵ Technically, workers are entitled to family leave benefits for up to 12 times their typical workweek hours.

³⁶ Technically, workers are entitled to up to a cumulative 16 times the worker's typical workweek hours of family and medical leave in a 52-week period or up to a cumulative 18 times the worker's typical workweek hours of family and medical leave in a 52-week period if the worker experiences a serious health condition with a pregnancy that results in incapacity.

³⁷ A worker returning from TCI leave must be restored to the worker's prior position or "a position with equivalent seniority, status, employment benefits, pay, and other terms and conditions of employment including fringe benefits and service credits that the employee had been entitled to at the commencement of leave." Workers who receive health insurance through their employers are entitled to continuation of those benefits while on TCI.

³⁸ A worker returning from PFL must be restored to the worker's prior position or "a comparable position with comparable employment benefits, pay and other terms and conditions of employment." Workers who receive health insurance through their employers are entitled to continuation of those benefits while on PFL.

³⁹ Workers are entitled to job protection under the state paid family and medical leave law only if they work for an employer with at least 50 employees, have been employed by that employer for at least 12 months, *and* have worked for that employer for at least 1,250 hours during the 12-month period immediately preceding leave. A worker entitled to job protection under the law must be restored to the worker's prior position or "an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment." Some highly paid employees may be subject to a very narrow exception. Workers who receive health insurance through their employers are entitled to continuation of those benefits while on leave *if* their employers would be required to continue benefits under the Family and Medical Leave Act.

⁴⁰ A worker returning from paid family or medical leave must be restored to the worker's prior position or "an equivalent position, with the same status, pay, employment benefits, length of service credit and seniority as of the date of leave." Workers who receive health insurance through their employers are entitled to continuation of those benefits while on paid family and medical leave.

⁴¹ Through the law creating its paid leave program, Connecticut amended the Connecticut Family and Medical Leave Act (CTFMLA), which provides job protection, to cover essentially all employees entitled to paid leave benefits except those receiving benefits for safe time purposes. Note that CTFMLA does not protect workers' health insurance. Workers receiving benefits for safe time purposes may be have employment protections under Connecticut's family violence leave law.

⁴² A worker returning from leave under Oregon's law must be restored to the worker's prior position or "any available equivalent position with equivalent employment benefits, pay and other terms and conditions of employment." If a worker's employer has fewer than 25 employees and the worker's prior position no longer exists, the worker's "employer may, at the employer's discretion based on business necessity, restore the eligible employee to a different position with similar job duties and with the same employment benefits and pay." Workers who receive health insurance through their employers are entitled to continuation of those benefits while on paid family and medical leave.

⁴³ See Haw. Rev. Stat. § 392-1 *et seq.* For more information, visit <https://labor.hawaii.gov/dcd/home/about-tdi/>. For a list of exceptions to covered workers, visit http://www.capitol.hawaii.gov/hrscurrent/Vol07_Ch0346-0398/HRS0392/HRS_0392-0005.htm.

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Testimony in Support of SB 539 “Labor and Employment - Family and Medical
Leave Insurance Program - Establishment”
Submitted to the Senate Finance Committee
February 27, 2020

Mr. Chairman; Ladies and Gentlemen of the Committee – thank you for providing me the opportunity to testify before you today. My name is Jayson Williams. I’m the co-founder and Chief Executive Officer of MD Strategic Consulting, a Prince George’s County based communications and public affairs firm. I come here before you today in support SB 539 as a businessman and from a place of both compassion and competitiveness.

When my partner and I started our small business, we wanted to create a workplace culture that values our employees. Less than two years after starting the company, one of our vice presidents reached out to let us know she was pregnant with their second child and wanted to take the first three months off after she gave birth. She was a very dedicated member of the team and even offered to take the time unpaid. We did not think that was right and made the decision that we were going to offer paid family leave. We couldn’t afford to pay her regular salary, but we arranged to continue her pay at a portion of her salary during the time that she was out of the office. We knew it was the right thing to do.

Then, just last year, another employee needed time away because, within a short period of time, both of his parents, who live in Ohio, were diagnosed with early-onset Alzheimer’s Disease. Our company gave him paid family leave so he could go visit them, make caregiving arrangements, and work out legal and medical issues with his siblings.

Here’s what I know from nearly five years in business: offering good benefits helps any business recruit and retain better employees. But, if the state administered a program like the one we’re talking about today, it would help small businesses like mine. In some ways, I can’t compete with corporations that are larger than me. So, the way I take care of my employees is extremely important to me, to our company culture, and to the growth and success of our business. I can’t give out big bonuses, but I can take care of the people that have taken care of me and helped us grow.

Thank you again for your time and consideration.

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Position: FAV

**Testimony in Support of Senate Bill 539
Labor and Employment – Family and Medical Leave Insurance Program –
Establishment**

**Senate Finance Committee
February 27, 2020**

**Samantha Zwerling
Government Relations**

The Maryland State Education Association supports Senate Bill 539, The Time to Care Act, that establishes the Family and Medical Leave Insurance Program and gives employees access to paid leave to take care of their families.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our 896,837 students for careers and jobs of the future. \ MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

Senate Bill 539 recognizes that families face certain undue hardships that should be addressed. Maryland families need the flexibility to bond with and care for a new child or a seriously ill aging family member. The legislation sets up an insurance program that employees pay into, that provides wage replacement benefits if the employee must take leave to take care of a loved one. As it relates to MSEA members, SB 539 does not impact collective bargaining agreements and allows local school systems that offer greater benefits to be exempted from paying into the fund and exempted from access to the benefits.

In schools, educators regularly see parents barely able to take time off from work to bond with a new baby or care for an aging parent. It's hard to see parents having to choose between a paycheck and spending time with a family member who needs them. This legislation would allow employees to pay into a system and access those benefits later if they need them. This is a better system for children, parents, and families overall. MSEA supports this bill that supports working Marylanders.

Maryland is long overdue in giving employees access to time to care for loved ones for working families and **MSEA urges a favorable report of SB 539.**

ERIC_FWA_SB 539

Uploaded by: Clair, Dillon

Position: FWA

February 26, 2020

Senate Finance Committee

3 East
Miller Senate Office Building
Annapolis, Maryland 21401

**RE: Maryland Paid Family and Medical Leave Proposal – Senate Bill 539 – ERIC Letter
of Support with Amendments**

Chairwoman Delores G. Kelley and Members of the Senate Finance Committee:

The ERISA Industry Committee (“ERIC”) is writing to the Maryland Senate Finance Committee (“Committee”) to submit written testimony in support with amendments of the paid family and medical leave insurance program proposed by Maryland Senate Bill 539 (“SB 539”). ERIC is the only national association that advocates exclusively for large employers on health, retirement, and compensation policies at the federal, state, and local levels. The member companies that we represent are leaders in every sector of the economy and currently provide comprehensive and generous paid leave benefit programs that support millions of workers and their families across the country, including in the state of Maryland. Each of you and your constituents likely engage with an ERIC member company on a daily basis when you drive a car or fill it with gas, use a cell phone or computer, visit a bank or hotel, fly on an airplane, watch TV, benefit from our national defense, go shopping, dine out or at home, receive or send a package, use cosmetics, or enjoy a soft drink. ERIC has a strong interest in proposals, such as SB 539, that would adversely affect our member companies’ ability to continue to provide quality and uniform paid leave benefits to their employees.

ERIC supports the efforts of state legislatures to expand access to critical paid family and medical leave benefits for their citizens. Because ERIC member companies are already designing and providing substantial paid leave benefits for their employees, one of our primary aims is to ensure that employers providing generous, voluntary benefits are able to continue to do so and that the requirements of state programs do not negatively impact the benefits that their employees ultimately receive. We therefore applaud the inclusion in SB 539 of a program exemption for employers that already provide generous paid family and medical leave benefits to their employees.

However, as the patchwork of state policies in this area continues to expand, several aspects of proposed state programs pose major concerns for employers and threaten the generous paid leave benefits currently enjoyed by their employees. With respect to SB 539, ERIC is particularly concerned about:

- The lack of state preemption of local and municipal paid leave ordinances;
- The program's source of contribution funding;
- The expanded definition of family member;
- The duration of leave provided by the proposed program; and
- The proposed program's employee benefit eligibility requirements.

We encourage the Committee to consider our concerns and ensure that the well-intentioned proposal to expand access to paid leave does not negatively impact the millions of families who already enjoy paid family and medical leave benefits from their large, multistate employers.

Comments

I. The State Program Should Preempt Local and Municipal Regulation of Paid Family and Medical Leave

Since the implementation of the federal Family and Medical Leave Act ("FMLA") nearly three decades ago, employers have been able to refer to a uniform, consistent set of standards when attempting to comply with federal family and medical leave requirements. As states continue to propose the creation of new paid family and medical leave programs, the uniform compliance standards established by federal law have given way to a patchwork of varying and conflicting state standards, creating significant compliance burdens for large employers operating across multiple states. At the same time, many municipalities have passed, or considered, their own paid family and medical leave ordinances. This creates an even more convoluted patchwork of conflicting laws that makes it extremely difficult for employers to comply.

An effective state paid family and medical leave program should preempt local and municipal ordinances, providing employers with a single standard with which to comply while operating within a state. SB 539 does not currently contain a provision to preempt local paid leave ordinances. We therefore encourage the Committee to amend SB 539 to include the following preemption language:

1: It is the intent of the legislature to ensure uniformity in any paid leave program. As such, a local governmental body shall not adopt, enforce, or administer an ordinance, local policy, or local resolution establishing any paid leave program. Any such existing program is subordinated to this statute.

2: "Local governmental body" means any local government or its subdivision, including, but not limited to, a city, village, township,

county, or educational institution; a local public authority, agency, board, commission, or other local governmental, quasi-governmental, or quasi-public body; or a public body that acts or purports to act in a commercial, business, economic development, or similar capacity for a local government or its subdivision.

3: The provisions of section 1 shall not prevent a local government body from establishing any leave program covering its own employees provided that such program is not construed to cover contractors or subcontractors working on behalf of the local government body.

II. The State Program Should be Funded by Employee Contributions Alone

As previously stated, ERIC applauds the inclusion of a program exemption for employers, such as ERIC member companies, that already provide generous paid family and medical leave benefits to their employees. However, it is important to also consider the impact that the proposed funding structure of SB 539 will have on employers that cannot currently afford to provide voluntary paid family and medical leave benefits and would therefore be required to participate in the Maryland paid family and medical leave insurance program.

While paid family and medical leave benefits provide critical security for employees to care for a child, loved one, or themselves in times of need, employers do not similarly receive support from a state program when their employees take family and medical leave. While an employee is out on leave, employers must hire temporary staff and/or add overtime for remaining workers to make up for the absence and are forced to take the financial loss that comes with these staffing adjustments. As the employees taking paid family and medical leave are ultimately receiving the benefits provided by a state insurance program, that program should be funded by employee contributions alone in order to ensure solvency of the program fund that provides their wage replacement.

If employers interested in enrolling their employees in the state insurance program are forced to foot half of the bill without receiving a supporting benefit when their employees are on leave, their ability to operate as a business and provide other valuable employee benefits could be greatly diminished. We therefore strongly encourage the Committee to remove the requirement that employers equally split the program's contribution costs with employees and instead allow employers participating in the state insurance program to deduct the full amount of contributions paid to the program from the wages paid to employees.

III. Definition of Family Member Should Match the Federal FMLA Definition

The federal FMLA has been in effect for decades and has been widely used as a standard by companies to design leave benefits for their employees. Under the FMLA, employers are required to provide unpaid leave for employees to care for an employee's child, spouse, or parent. SB 539 uses a definition of family member, or the qualified individuals whom employees may use leave benefits to care for, that extends beyond the requirements of the federal FMLA to additionally include an employee's grandparents, grandchildren, and siblings.

Ultimately, large, multistate employers are able to design, voluntarily provide, and solely fund, generous paid leave benefits because of uniform administration of employee benefit programs across the country, regardless of where their employees live. The expanded definition currently used by SB 539 would result in the creation of an even further fragmented patchwork of state paid leave standards and add to the already massive compliance burdens faced by employers operating across multiple states. We encourage the Committee to amend SB 539 to include a definition of family member that is consistent with the definition established under the federal FMLA.

IV. Duration of Leave Should Not Exceed the Length Provided by the Federal FMLA

The federal FMLA provides for employee access to 12 weeks of unpaid family and medical leave. The current standards set forth in SB 539 would not only go beyond the requirements of the FMLA by providing *paid* family and medical leave to employees, but would allow employees to take leaves of absence beyond federal duration requirements, providing for up to 12 weeks of paid parental and family leave *and* up to an additional 12 weeks of paid personal medical leave. The potential use of up to 24 weeks of paid leave in a calendar year by employees under SB 539 would impose significant operational, staffing, and financial burdens on employers left without critical employees for the duration of the 24-week period.

Extending the duration of leave beyond FMLA standards would also serve to further complicate the current patchwork of state paid leave laws and expand the compliance challenges faced by employers. As each state creates its own unique standards and requirements independent of those established by other state programs or the federal FMLA, employers are not only burdened with tailoring their employee benefits to comply with the new program in that state, but must also restructure their national benefits to ensure that their employees receive equitable benefits across the country. A further fragmented state patchwork would be counterproductive to the overarching goal of providing valuable paid family and medical leave benefits to more American workers. We therefore strongly encourage the Committee to limit the duration of paid leave provided by a state paid family and medical leave program to the 12-week total standard established by the federal FMLA.

V. Employee Eligibility Should Match Requirements Established by the Federal FMLA

The federal FMLA requires that an employee must work for a minimum of 1250 hours over the 12-month period preceding the date on which an employee's leave is to begin in order to be eligible for the leave provided by the FMLA. As currently drafted, SB 539 would lower this hours-worked requirement to 680 hours in the preceding 12-month period for an employee to be eligible for paid leave benefits under the state program. This lowered standard would effectively expand benefit eligibility to include a large portion of recently hired, temporary, and part-time workers while placing even greater staffing burdens on employers and requiring them to restructure practices regarding hiring and employee benefits.

Furthermore, this reduction in employee eligibility represents yet another shift away from the national standards established by the federal FMLA, leading to an even more complicated state patchwork of paid family and medical leave standards for employers to follow. We therefore strongly encourage the Committee to amend SB 539 to conform employee eligibility standards to the 1250 hours worked requirement established by the federal FMLA.

Conclusion

Ultimately, ERIC shares your goal of increasing access to critical paid family and medical leave benefits for Maryland employees. We also strongly support the program exemption provided by SB 539 for employers, like ERIC member companies, that already provide generous paid leave benefits to their employees. At the end of the day, the aim of this legislation is to secure paid leave benefits for more Marylanders, not to penalize employers that are already providing these benefits to their employees and paying for them solely on their own.

While the provided exemption is a major step in the right direction, we believe that allowing for local or municipal regulation of paid family and medical leave, sourcing contributions from employers, and expanding standards and definitions beyond those used by federal law, would negatively impact the ability of employers to provide paid leave benefits to their employees and unintentionally serve to detract from the overall goal of providing high quality paid leave benefits to a greater portion of employees throughout the state, as well as the country. Therefore, SB 539, as well as any other legislation proposing the creation of a state paid family and medical leave program should take into serious consideration the array of challenges and burdens that employers will face when attempting to comply with the requirements of the proposed program, as well as the impact that those burdens will have on the paid leave benefits ultimately available to employees.

ERIC appreciates the opportunity to provide comments on the proposed legislation, as well as to discuss ways in which administrative and compliance burdens can be minimized for

large employers that already offer generous paid family and medical leave benefits to their employees.

If you have any questions concerning our comments, or if we can be of further assistance, please contact us at (202) 789-1400 or arobinson@eric.org.

Sincerely,

A handwritten signature in cursive script that reads "Aliya Robinson".

Aliya Robinson
Senior Vice President, Retirement and Compensation Policy

USM_HOGAN_FWA_SB539

Uploaded by: Hogan, Patrick

Position: FWA



UNIVERSITY SYSTEM *of* MARYLAND

SENATE FINANCE COMMITTEE

Senate Bill 539

Labor and Employment – Family and Medical Leave Insurance Program - Establishment

February 27, 2020

Favorable with Amendment

Chair Kelley, Vice Chair Feldman and committee members, thank you for the opportunity to share our thoughts on Senate Bill 539. This bill would require the USM institutions to participate in a Family & Medical Leave Insurance Program that provides job protection and wage replacement at a certain level for employees who need to be absent for up to twelve weeks due to reasons generally set forth in the federal Family & Medical Leave Act.

The University System of Maryland (USM) complies substantially with the requirements and underlying principles expressed in Senate Bill 539. On that basis, the USM urges a favorable report with an amendment that would exempt the USM on the basis of the benefits our employees currently enjoy.

Attached is a chart showing the various leave benefits available to regular faculty and staff who need to be absent for purposes recognized under the federal Family & Medical Leave Act. Compared to private sector leave policies, these policies are extremely generous. **USM employees are guaranteed twelve weeks of paid parental leave and may use the various other forms of accrued leave while they are absent for their own or their family member's health condition or military-related absences as set forth in the federal law.**

If the USM is not exempted, there are several problems with applying the language of the bill in the context of employee work schedules and the employment categories of most higher education institutions, not just the USM. It appears the bill would apply not just to regular faculty and staff, but also to those more temporary categories of employees, such as Contingent I and Contingent II employees, “contractual” faculty, adjunct faculty, and undergraduate student employees. Those employees are typically short-term employees who often do not work regular schedules. USM institutions regularly employ adjunct faculty and certain staff employees on an “if and when needed” basis and for periods of six months or less.

The bill states that employees would be eligible for benefits if they worked 680 hours during the preceding calendar year. This could mean that a full-time Contingent I employee on a six month contract during the fall 2019 semester, who took another job in the interim but returned to the university on another six month contract for the fall 2020 semester, could be eligible for a twelve week paid leave the day they begin another contract six months later. They would then be absent for most of the semester and the university would need to scramble to provide coverage for a class or other necessary operation at the last minute, which potentially doubles the cost of providing the service.

Again, the USM is supportive of the underlying tenets of Senate Bill 539 and believe an exemption works best for the continued benefit of USM faculty and staff.

Certain Leave Policies Available to USM Regular Faculty & Staff for Use During Family & Medical Leave

Policy	Eligibility	Amount of Leave	Comments
Sick & Safe Leave – VII-7.45 for staff; II-2.30 for faculty	Any illness or injury or “safe leave” of a faculty or staff member or their immediate family member. Also includes childbirth, adoption, parental leave, & death of relative.	Accrue 15 days/yr. Pro-rated based on FTE if at least 50% time and faculty appointment type. No limit on accumulation.	In addition to regular sick leave, Faculty also have access to collegial sick leave at rate of 25 workday per acad. year. Use of more than 25 days is charged as regular sick leave.
Parental Leave VII-7.49 for staff and II -2.25 for faculty	Eligible after 6 months’ employment; must first exhaust available annual, personal and holiday leave. Available to regular staff, tenured and tenure-track faculty, and non-tenure track faculty w/multi-year contracts	Minimum assured period of 12 weeks annually of paid parental leave to child’s primary caregiver	
Holiday Leave – VII – 7.30	Regular Exempt and Nonexempt staff	Accrue 14 or 15 days/yr.	Faculty are paid, but not required to work, on university holidays.
Personal Leave - VII-7.10 Personal Leave for Regular Nonexempt and Exempt Staff	All regular staff employees. Pro-rated for PT staff working 50% or more.	Accrue 3 days/yr.	No carry-over from year to year.
Annual Leave - VII-7.00 for staff; II-2.40 for faculty	Accrues from the date of hire and is available as earned. May use only with supervisor’s prior approval.	*Nonexempt staff accrue on sliding scale from 11 – 25 days/year based on length of service *Exempt staff accrue on sliding scale from 22 – 25 days/year based on length of service *Faculty accrue based on contract type: 12-month contract - same as Exempt 10-month contract - 15 days that must be used last 15 days of contract	Pro-rated based on FTE. 50 day (400 hour) maximum carryover, also based on FTE.
Advanced Sick Leave (ASL) in Sick Leave Policy VII-7.45 for staff	Available immediately. Must have exhausted all accrued leave & have satisfactory record. Available for employee’s recoverable illness or injury or for parental leave.	15 days per year of service up to 60 days in a calendar year, based on FTE. Pro-rated during first year of service.	Must be repaid upon return to work @ rate of ½ Sick and Annual Leave accrued each pay period
Extended Sick Leave (ESL) in Sick Leave Policy VII-7.45 for staff	Must have 5 years of service and must have exhausted all types of accrued leave and ASL. Otherwise, same as ASL.	52 work weeks over entire USM or State service.	Does not require repayment.
Leave Reserve Fund for Regular Status Nonexempt and Exempt Staff Employees VII-7.11	Must have 1 year of service and must have exhausted all types of accrued leave, ASL, and ESL. Otherwise, same as ASL.	One day per month of creditable service.	Does not require repayment.

See also other related policies:

- VII-7.50 Family and Medical Leave for Nonexempt and Exempt Staff Employees
- II-2.31 Family and Medical Leave for Faculty
- II-2.00 Sabbatical Leave for Faculty
- VII-1.40 Contingent Status Employment for Exempt and Nonexempt Employees
- VII-7.46 Sick and Safe Leave for Certain Eligible Contingent Category 1 and Other Part-time, Hourly, or Non-Regular Staff and Student Employees

The Arc Maryland_SWA_ SB0539

Uploaded by: Kolp, Ande

Position: FWA

**SB 539: Labor and Employment- Family and Medical Leave Insurance Program
February 27, 2020 1 p.m. Senate Finance Committee**

Position: Support with Amendments

The Arc Maryland is the largest statewide advocacy organization dedicated to the rights and quality of life of people with intellectual and developmental disabilities (I/DD) and we support the creation of a medical leave insurance program in Maryland.

That said, and while the program would be incredibly helpful in allowing individuals, parents, and other caregivers to receive pay for leave taken to care for themselves or provide care to a loved one, **the current bill contains problematic definitions and requirements for employers of record, and as written, it would create a new, unfunded mandate for Medicaid Provider organizations that serve and support the community of people with developmental disabilities and people with disabilities who self-direct their services.** There is currently no provision in this bill to provide increased funding to medicaid providers to meet the obligations that would be created by passage of SB539.

The positive elements of a Family Medical Leave Insurance Program and how it would benefit people with I/DD and their families:

The common reality we all have is that almost all of us will need to take leave at some point, to care for our family member's or our own serious medical condition or to welcome a new child. Without pay during these periods of leave, people are often faced with making a grueling decision to take the leave without pay, that they know they or their loved ones need for health and bonding but which will create a financial hardship and threaten job stability, or not take the leave and continue to work to make ends meet, sacrificing the needs of their family or their own needs.

Paid family leave insurance programs that have been put in place in other states, have been found to boost economic security and opportunity for all, including an estimated 1 in 5 Americans with disabilities and their families. A report completed by The Leadership Conference Education Fund found that many low-wage workers with disabilities and family members of people with disabilities feared that "staying home when they or a loved one are sick or in need [would] mean not only the loss of a day's pay but also the possible loss of their job."

People with disabilities and their families often experience greater economic hardship and financial insecurity. According to another report, only 1 in 10 people with disabilities report

that they feel they could come up with \$2,000 for an unexpected need, compared to 1 in 3 people with no disability. Many live paycheck to paycheck, and any unexpected illness could create financial instability for a person or their family. The Time to Care Act proposed in HB 839 and SB 539 would provide much needed paid leave for those who need it, to care for themselves or a loved one.

However...

This bill, while promising and well-intended, has several bill components that would create hardships for some people with disabilities and Developmental Disabilities (Medicaid) providers in the state, including the creation of a mandatory benefit insurance plan to which both the employer and employee would be required to contribute, **without** bill provisions to create a budget mandate for increased DDA provider funding to support the change.

The current rate of mandatory shared contribution to the plan, proposed in the bill, is .5% of an employee's wages, split equally between employer and employee. There has been discussion of increasing this contribution rate to at least .67% to ensure enough contributions to create a viable insurance fund. At a .67% contribution rate, employees making \$14 per hour (\$560 per week), working 40 hours per week would contribute \$1.88 per week and employers would also contribute \$1.88 per week for that employee. This is an employer contribution of approximately \$100 per year per FTE.

For a mid-sized Developmental Disability provider with approximately 200 full-time employees and 150 part-time low-wage Direct Support Professionals, **this new insurance plan would amount to a mid-sized provider contribution of between \$30,000-\$40,000 per year.** This figure includes estimations of contributions of administrative employees to the plan, but **does not include the costs to the employer of replacement/temporary Direct Support Professional staff** who are often more costly than regular/permanent staff due to the current environment in DD community services (high turnover, high rates of staff vacancy, and high levels of staffing overtime costs).

DDA providers are **Medicaid providers** and **cannot pass on any of the costs of doing business on to people who receive their services.** They rely on state funding for their operations and for the state to provide increased funding for any statewide increases to minimum wage or new benefit programs that require a DD employer's contributions. Any new mandate for wages or employer contributions to mandated leave programs like the one that would be created through this bill, without an accompanying mandate for an increase in annual funding for Medicaid providers may further destabilize our DD system. Most Direct Support Professionals receive low wages already for their important work and the mandated

employee contribution may also impact the finances of the Direct Support Professional workforce.

Many components of the Family and Medical Leave Insurance Program proposed through this bill do not align with the Federal Family Medical Leave Act (FMLA). Although FMLA is a separate leave law, the inconsistencies between the two could create administrative and management difficulties for DD providers and people who self-direct their DDA services. Here is a chart that provides details on some of differences between FMLA and this bill.

Area of inconsistency	FMLA	Family Med Leave Insur. (SB539)
The number of hours of employee work required for program eligibility	1250 hours within the 12 months prior to the start of leave	680 hours within the 12 months preceding the start of leave
Definition of "employer" under which employee would be eligible for leave benefit	50 or more employees must work at the location for an employee to be eligible for FMLA	Employers with 1 employee must cover their employee
Definition of serious health condition	The "continuing treatment" test for a serious health condition under the regulations may be met through a period of incapacity of more than three consecutive, full calendar days, plus treatment by a healthcare professional, or any period of incapacity related to pregnancy or prenatal care	There is no three-day standard for use of intermittent leave. Employees must make "reasonable effort to schedule the intermittent leave in a manner that does not unduly disrupt operations", and "provide the employer with reasonable and practicable prior notice of the reason for which the intermittent leave is necessary. There are no definitions for intermittent leave intervals or minimum amount of leave (hours) to be taken at a time
Notice of Employee Rights	All covered employers are required to display and keep displayed a poster prepared by the U.S. Department of Labor summarizing the major provisions of the Family and Medical	Employer must provide written notice of rights annually to employees. When an employer "knows that an employee's leave may be for a qualifying reason, the employer shall notify the employee of the employee's

	Leave Act (FMLA) and telling employees how to file a complaint	eligibility to take FMLI leave within 5 business days
Payment of leave benefit to employee	According to normal pay period schedule (typically within 14 days)	Within 5 business days after a claim is approved.
Amount of protected leave allowed to be taken per year	Up to 12 weeks	Up to 12 weeks for most, and up to 24 weeks for others under certain circumstances* *See eligibility in the bill.

Reiterating our position, The Arc Maryland supports the creation of a family and medical leave insurance program in Maryland. We would like to see this benefit offered nationally as we believe it will benefit our society when people do not have to worry about loss of wages when they need to care for themselves or a loved one.

With this bill, however, we have deep concerns that it creates mandates and administrative burdens which we believe would present unintended consequences if the bill is passed as written.

For amendments, we ask that **the definitions of "covered (eligible) employee", and other inconsistent definitions and responsibilities of employers under the benefit plan be made consistent with FMLA standards.**

We ask that providers not be required to PROVIDE notice to employees but rather post notice (in a conspicuous place) of an employees' rights under this benefit

We will also ask that any legislation creating an insurance program with mandatory contributions also include a budget mandate for funding increases for medicaid community- based providers (such as Developmental Disabilities providers) and also funding increases to the individual budgets of people who self-direct their services. This funding would be necessary to cover costs associated with providing the new benefit plan. Without these amendments, The Arc Maryland's support must be considered withdrawn.

Respectfully Submitted,
Ande Kolp
Executive Director

Humanim_UNFAV_SB539

Uploaded by: Causer, Bob

Position: UNF

February 24, 2020

The Hon. Ronald N. Young, Senator

Ronald.Young@senate.state.md.us

RE: SB 539 Family and Medical Leave Insurance Program

Dear Senator,

I am writing about the Family and Medical Leave Insurance Program, asking you to vote against this bill in its current form.

I am the Vice President of Human Resources for Humanim, a 501c3 company employing more than 430 people throughout Central Maryland and Baltimore County.

My company has had a long-standing FMLA benefit for our employees that would effectively be nullified by passage of this bill. Our Paid Time Off Policy contains a generous accrual of at least 160 hours annually for full time employees working a minimum of 30 hours per week. At the end of our company's fiscal year in June, any employee may carry forward a balance of 80 hours of PTO. If the employee has a balance in excess of the 80 hours, the entire overage will automatically be rolled into an FMLA Leave Bank at no cost to the employee. The employee may accrue this FMLA leave, year to year – to an accumulated balance of 480 hours. If the employee were to experience a qualifying FMLA event, s/he could use any hours in their bank to receive full pay during the period of absence.

The proposed bill would cost our employees – most of whom currently make only \$13.00 per hour. An additional tax of this type would not be a benefit to any employee with a current balance of FMLA Leave. The cost to the Company – considering our \$16.6M annual payroll – would be \$41,500 which would have to be taken from other employee benefits such as health insurance subsidies.

I urge you to vote against SB 539 in its current form.

Sincerely,

A handwritten signature in blue ink, appearing to read 'R. Causer', with a stylized, flowing script.

Robert M. Causer, SHRM-SCP, SPHR

Vice President, Human Resources

Humanim

301-693-1405

Howard Co. Chamber of Commerce_UNF_SB539

Uploaded by: Costello, Chris

Position: UNF

February 20, 2020

The Honorable [Delores G. Kelley](#)
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

The Honorable [Delegate Dereck E. Davis](#)
Chair, Economic Matters Committee
Room 231
House Office Building
Annapolis, Maryland 21401

Re: HB839 / SB539 - Paid Family and Medical Leave Legislation

Dear Senator Kelley and Delegate Davis:

The Howard County Chamber of Commerce ("Chamber") is a business organization comprised of small business, corporations, non-profits, and governmental agencies all working together for the betterment of the Howard County business community. Our mission is to provide advocacy, connections, and access to timely information to advance the growth and success of the Howard County business community. I write to you at this moment on behalf of our 700 plus member companies out of concerns relative to paid family and medical leave legislation.

As demonstrated in other states, Paid Family and Medical Leave insurance places a significant cost on both employers and employees. If implemented, employees may end up with a less generous benefit than employers already pay. We ask the Committee to consider the following concerns experienced in other states as you discuss possible paid family and medical leave legislation.

1. **Cost** – The Chamber is particularly concerned with the additional financial and administrative costs to employers and employees that would result from passage of this proposal. In Massachusetts, a recent study estimated the total annual cost of paid family and medical leave insurance, excluding the state's administrative costs, to be \$949.2 million or roughly \$269 per worker each year, shared by the employer and employee. In addition, the Massachusetts ballot proposal included approximately \$70 million in administrative fees for the operations of a new state agency to administer the program. Importantly, the study showed that the legislation added a \$55 million cost to the already strained state budget to provide the benefit to the state's workforce. Not to mention, employers that participate in the state program and maintain a standalone paid leave program would likely see increased costs due to a greater cost of administration under the state program.

Similarly, all employers in a similar program would be subject to new administrative and reporting requirements. This, in addition to the already numerous and burdensome administrative costs associated

with the Maryland Healthy Working Families Act, Maryland Parental Leave Act and Maryland Flexible Leave Act.

2. **Opt-out Clause or Waiver** – Proposals in other states have required virtually all employers to take part in the state's paid family and medical leave program. Many of our members already provide employees with the ability to accrue paid leave benefits. Any legislation should at least provide an option for employers to opt-out of the state program in favor of administering a private program with more-generous benefits. Without an opt-out clause, required legislation is an added expense for employers already providing generous paid leave benefits. To facilitate compliance and administration of the program, employers may opt to use the state system instead of more generous offerings.
3. **Employee Eligibility** – Any proposed legislation should align the eligibility requirements with FMLA thus mitigating this issue and provide employers predictability around when their employees will return to work. States that have required paid leave to be taken concurrently with leave under the Family and Medical Leave Act (FMLA) or under the State Parental Leave have created eligibility discrepancies. Employees can become eligible for the paid family and medical leave programs prior to reaching eligibility for FMLA. This makes it impossible for the two programs to run concurrently in some situations, may allow for leave stacking, and would result in numerous administration issues for employers.

The Chamber would be willing to work with the bill proponents to establish a more feasible family and medical leave insurance program and proposes the following amendments:

1. **Reduce the time frames** – The Bill places significant challenges on small employers by providing up to 24 weeks of leave in one calendar year, mandating that an employer hold the job open. Align time frames with existing federal or DC laws.
2. **Increase implementation time period.** - As we have seen in other jurisdictions it takes longer than 6 months to implement a family and medical leave insurance program.
3. **Align definitions with FMLA.** Any proposed legislation should align the definitions of "Covered Employer" and "Eligible Employee" to align with those of FMLA.
4. **Revise oversight structure** - Remove oversight of fund from Unemployment Insurance Division to its own department within the State of Maryland.

Thank you for taking into consideration the Chamber's concerns. Know that the Howard County Chamber remains supportive of the paid family and medical leave concept. However, we believe that one-sided drafted legislation could have several negative and unforeseen consequences for employees and employers. Meetings were held with the legislation's proponents only to find proponents had no interest in finding common ground. Consequently, we have no alternative but to request an unfavorable vote.

For questions on the Chamber's concerns, I can be reached directly at 443-878-1234.

Respectfully,



Leonardo McClarty
President, Howard County Chamber of Commerce

CC: Howard County General Assembly Delegation
Howard County Chamber Board of Directors
Howard County Legislative Affairs Committee Members

February 20, 2020

The Honorable [Delores G. Kelley](#)
Chair, Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

The Honorable [Delegate Dereck E. Davis](#)
Chair, Economic Matters Committee
Room 231
House Office Building
Annapolis, Maryland 21401

Re: HB839 / SB539 - Paid Family and Medical Leave Legislation

Dear Senator Kelley and Delegate Davis:

The Howard County Chamber of Commerce ("Chamber") is a business organization comprised of small business, corporations, non-profits, and governmental agencies all working together for the betterment of the Howard County business community. Our mission is to provide advocacy, connections, and access to timely information to advance the growth and success of the Howard County business community. I write to you at this moment on behalf of our 700 plus member companies out of concerns relative to paid family and medical leave legislation.

As demonstrated in other states, Paid Family and Medical Leave insurance places a significant cost on both employers and employees. If implemented, employees may end up with a less generous benefit than employers already pay. We ask the Committee to consider the following concerns experienced in other states as you discuss possible paid family and medical leave legislation.

1. **Cost** – The Chamber is particularly concerned with the additional financial and administrative costs to employers and employees that would result from passage of this proposal. In Massachusetts, a recent study estimated the total annual cost of paid family and medical leave insurance, excluding the state's administrative costs, to be \$949.2 million or roughly \$269 per worker each year, shared by the employer and employee. In addition, the Massachusetts ballot proposal included approximately \$70 million in administrative fees for the operations of a new state agency to administer the program. Importantly, the study showed that the legislation added a \$55 million cost to the already strained state budget to provide the benefit to the state's workforce. Not to mention, employers that participate in the state program and maintain a standalone paid leave program would likely see increased costs due to a greater cost of administration under the state program.

Similarly, all employers in a similar program would be subject to new administrative and reporting requirements. This, in addition to the already numerous and burdensome administrative costs associated

with the Maryland Healthy Working Families Act, Maryland Parental Leave Act and Maryland Flexible Leave Act.

2. **Opt-out Clause or Waiver** – Proposals in other states have required virtually all employers to take part in the state's paid family and medical leave program. Many of our members already provide employees with the ability to accrue paid leave benefits. Any legislation should at least provide an option for employers to opt-out of the state program in favor of administering a private program with more-generous benefits. Without an opt-out clause, required legislation is an added expense for employers already providing generous paid leave benefits. To facilitate compliance and administration of the program, employers may opt to use the state system instead of more generous offerings.
3. **Employee Eligibility** – Any proposed legislation should align the eligibility requirements with FMLA thus mitigating this issue and provide employers predictability around when their employees will return to work. States that have required paid leave to be taken concurrently with leave under the Family and Medical Leave Act (FMLA) or under the State Parental Leave have created eligibility discrepancies. Employees can become eligible for the paid family and medical leave programs prior to reaching eligibility for FMLA. This makes it impossible for the two programs to run concurrently in some situations, may allow for leave stacking, and would result in numerous administration issues for employers.

The Chamber would be willing to work with the bill proponents to establish a more feasible family and medical leave insurance program and proposes the following amendments:

1. **Reduce the time frames** – The Bill places significant challenges on small employers by providing up to 24 weeks of leave in one calendar year, mandating that an employer hold the job open. Align time frames with existing federal or DC laws.
2. **Increase implementation time period.** - As we have seen in other jurisdictions it takes longer than 6 months to implement a family and medical leave insurance program.
3. **Align definitions with FMLA.** Any proposed legislation should align the definitions of "Covered Employer" and "Eligible Employee" to align with those of FMLA.
4. **Revise oversight structure** - Remove oversight of fund from Unemployment Insurance Division to its own department within the State of Maryland.

Thank you for taking into consideration the Chamber's concerns. Know that the Howard County Chamber remains supportive of the paid family and medical leave concept. However, we believe that one-sided drafted legislation could have several negative and unforeseen consequences for employees and employers. Meetings were held with the legislation's proponents only to find proponents had no interest in finding common ground. Consequently, we have no alternative but to request an unfavorable vote.

For questions on the Chamber's concerns, I can be reached directly at 443-878-1234.

Respectfully,



Leonardo McClarty
President, Howard County Chamber of Commerce

CC: Howard County General Assembly Delegation
Howard County Chamber Board of Directors
Howard County Legislative Affairs Committee Members

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Uploaded by: Doyle, Lori

Position: UNF



Testimony on SB 539
Labor and Employment – Family and Medical Leave Insurance Program –
Establishment

Senate Finance Committee

February 27, 2020

POSITION: OPPOSE

The Community Behavioral Health Association of Maryland is the professional organization for providers of community-based mental health and substance use disorder treatment services. Our members serve the majority of the almost-300,000 children and adults who access care through the public behavioral health system. We provide outpatient treatment, residential and day programs, case management and assertive community treatment (ACT), employment supports, and crisis intervention.

We have numerous concerns about the impact of SB 539 on our organizations, their employees, and the clients they serve. The program is funded by an employee/employer matching arrangement. Our rates are set by the state Medicaid program, and, unlike other businesses, we cannot pass additional costs onto our customers. Almost half of our providers already operate in the red due to low reimbursement rates. Any additional unfunded mandates would only worsen an already challenging financial situation.

We are also concerned about the impact on employees, particularly at the low end of the pay scale. Many noted that they have 403(b) programs available for employees, but few direct line staff avail themselves of the program because of the employee contribution required. Their salaries are so low that many find it difficult to afford housing and other necessities. Some work multiple jobs to make ends meet. Investments – even ones such as 403(b) plans that would directly benefit them – are simply not affordable for them. SB 539 would require them to make contributions into a fund that they may never benefit from.

Some CBH members raised the issue of short-term disability. Once again, employees at the low end of the pay scale tend not to enroll in short-term disability plans if there is an employee contribution for same. Members who cover the total cost of short-term disability for their staff question the ability and rationale to continue doing so if this bill were to pass.

One of the biggest concerns is the effect this bill would have on staffing. Organizations such as ours that serve Medicaid recipients with serious mental health and substance use disorders already struggle with high staff vacancies (some close to 50%) due to the low salaries we can afford to offer. These vacancy rates are exacerbated by the number of employees on extended or intermittent leave (such as that covered by the Americans With Disabilities Act, the Family Medical Leave Act,



and the Maryland Healthy Working Families Act), and are even more pronounced in residential programs that operate 24/7, overnight, and on weekends. SB 539 would allow employees who have already taken 12 weeks of paid leave for their own qualifying health condition to then take an additional 12 weeks of paid leave for an additional qualifying condition, such as the birth of a child. Our organizations provide generous leave benefits as an offset to the low salaries offered. However, they must balance the needs of employees for time off against the responsibility they have to ensure client health, safety, and quality of care.

For these reasons we urge an unfavorable report on SB 539.

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Uploaded by: Duckman, Ashley

Position: UNF

February 27, 2020

Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

RE: SB 539 – Family and Medical Leave Insurance Program – Establishment

Madame Chairman, Vice Chair and Honorable Committee Members,

My name is Christine V. Walters, J.D., MAS, SHRM-SCP, SPHR. I am a human resources and employment law consultant. I worked as an in-house HR practitioner for nearly ten years in the health care industry, worked as an employment law attorney in a law firm for two years, and since 2002 have worked as an independent consultant and sole proprietor, doing business as FiveL Company, *“Helping Leaders Limit their Liability by Learning the Law.”SM*

I am also a member of the Maryland Chamber of Commerce, serve on the Chamber’s Labor and Employment Committee and Human Resources Committee. I am also the former Director of the Maryland SHRM State Council, Inc. You have testimony from both of those organizations, as well. I share many of their concerns. I hope to share some that have been shared with me by one or more of my clients.

The bill fails to clarify whether it is creating a new bank of paid leave. With regard to some of the concerns that have been shared about whether this bill requires employers to provide an additional bank of leave. I think that might be clarified if a definition of “leave” was added to the bill. It is currently undefined. The bill’s preamble reads, “THE PURPOSE OF THE PROGRAM IS TO PROVIDE TEMPORARY BENEFITS TO A COVERED INDIVIDUAL WHO IS TAKING LEAVE FROM EMPLOYMENT.” I suggest the definition clarify that “leave” refers only to any time off from work to which an employee is already entitled under federal, state or local law.

I think this will narrow the definition of leave to (1) protect employers from expansive legislation, (2) avoid unintended consequences; and (3) still balance the intent of the bill to provide income protection to employees who need time off from work for currently covered reasons related to family, medical and military needs.

This bill imposes a variety of administrative challenges.

- Use of Paid Leave (allowed versus required) - The bill provides that an employer “may allow” an employee to use paid leave. It is a common practice for employers to require employees to exhaust all paid leave before being absent without pay. This provides equity among employees. Without that provision, one employee who can afford to take

- time off without pay does so, returns to work, then takes two more weeks off after that for paid vacation. That leaves coworkers who cannot afford to do that to cover in the employee's absence. This bill does not permit employers to continue that requirement. I recommend that be modified to read, "may require."
- Notice – The bill requires employers to give employees notice of their rights at three separate times: (1) at the time of hire; (2) within five days after the employee notifies the employer of the need for covered leave; and (3) annually. No other leave law in Maryland, paid or unpaid, federal or state has an annual notice requirement. Only the federal Family and Medical Leave Act requires notice within five days from the date an employee gives notice of the need for covered leave.
- Regulatory guidance – The fiscal note indicates the bill requires the Secretary to publish regulations by October 1, 2020. Maryland's Healthy Working Families Act took effect more than two years ago. The Maryland Department of Labor is still working through, what I am told was the more than 2,000 comments, to publish regulations those regulations. In the interim, employer still struggle to administer that law's sick and safe leave in the absence of those regulations. Adding the obligations imposed by SB 538 at this time is untenable.
- No opportunity to offset costs – The bill provides that it does not diminish an employer's obligation to comply with "...AN EMPLOYER POLICY THAT ALLOWS AN EMPLOYEE TO TAKE LEAVE FOR A LONGER PERIOD OF TIME THAN THE EMPLOYEE WOULD BE ABLE TO RECEIVE BENEFITS UNDER THIS TITLE." That could be interpreted to mean an employer could not reduce an existing leave benefit to help offset the cost of this tax. Assuming that is *not* the intent, I recommend this language be modified to make that clear.
- State administration – the bill does not describe who or how the employer's or employees' portion of the tax will be collected. It only indicates that the Treasurer will administer the fund in accordance with regulations the Secretary publishes. As a result, the Fiscal Note may not fully account for the time and costs imposed on employers. Will they be required to deduct this tax from each employee's wages each pay period and then send both the employer's and employees' contributions to the State? Or, will the employer be able to pay its .25% based on the aggregate employee wages quarterly?

This bill imposes a number of fiscal challenges:

The fiscal note reads the Small Business Impact will be "meaningful." Meaningful is not defined. Here are just two examples shared with me by one or more small business and non-profit clients:

- A non-profit employer projects this tax will cost them \$41,500/year. They will have to offset that cost by reducing or abolishing one or more employee benefits, such as health insurance subsidies. You have that employer's written testimony.

- A for-profit employer offers an extended leave bank into which employees may voluntarily transfer a portion of their unused, paid leave to support coworkers who are facing family and medical demands and need time off from work. That program may be reduced or abolished to reduce the accounts payable liability and offset the cost of this tax. Their program is voluntary. The tax to their employees won't be.

A study published by SHRM in 2014, "Total Financial Impact of Employee Absences Across the United States, China, Australia, Europe, India and Mexico."ⁱ found that when considering both the direct and indirect costs of paid time off, the total cost as a percentage of payroll was between 20.9% and 22.1%. This bill adds to those costs, which are likely higher today than they were six (6) years ago, particularly in light of Maryland's minimum wage and paid sick and leave enacted since then.

I suspect I could share many more stories and examples if I was to send an inquiry out to my base of more than 350 clients.

Most Maryland employers are currently required to provide paid or unpaid leave to employees for the following:

- Adoption Leave
- *Civil Air Patrol Service
- *Jury Duty
- *Organ or Bone Marrow Donation, which may *not* run concurrently with federal Family and Medical Leave
- *Parental Leave (if 15 – 49 employees)
- Reasonable Accommodation for Pregnancy-Disability, which may include paid leave
- Sick or medical leave to care for a family member under the Flexible Leave Act
- Sick and Safe Leave under Maryland's Healthy Working Families Act
- Voting Leave

**Leave may be unpaid*

Maryland employers with 50 or more employees are also required to provide:

- Family and Medical Leave (federal) up to 12 work weeks of unpaid leave for reasons similar to, but different from, the reasons covered in SB 539
- Military Deployment leave

Legislative mandates flatten the market and reduce competition. Many employers provide robust paid leave programs. They are proactive and operate above the market. Those practices are great recruiting tools, helping them compete for talent. Those employers lose that competitive edge when laws impose mandates that require all the rest of the employers to do the same.

The bill reduces Maryland's competitive edge. None of our surrounding states have a paid family and medical leave mandate. Only the District of Columbia does. When prospective employers shop the economic markets, this bill would be one more reason why employers may decide to open new businesses and take new jobs elsewhere.

This bill adds to the patchwork of existing paid leave mandates that employers must navigate. On March 22, 2012 I had the honor and privilege of testifying before the U.S. Senate Health, Education, Labor and Pension (HELP) Committee on behalf of SHRM to discuss employers' strategies for helping employees with disabilities stay-at-work and return-to-work (RTW). Then-chairman Senator Tom Harkin (D-IA) asked the panelists, "Why don't employers do more?" I replied that often it is a matter of feeling that we are walking on eggshells. There are so many laws and regulations that limit what, when and how we can engage our employees that sometimes we do nothing to avoid doing the wrong thing. I share with you now the same suggestion I shared with the Honorable Senator at that time.

Rather than drafting legislation that imposes mandates or penalties upon employers, we might consider offering employers some carrots, such as a tax incentive or safe harbor for employers that offer paid leave that meets all the elements of SB 539. This is not a precedential idea; it was embodied in the 115th U.S. Congress in the "Strong Families Act: and in the "Workflex in the 21st Century Act."

Now May Not be the Best Time

There are currently four similar bills pending before Congress. Each proposes to provide employees with paid family and/or medical leave. Having one national standard will provide consistency for employees and the employers that employ them across the country and in any state. Now is not the time to pass this bill.

Only eight states and the District of Columbia have enacted a paid family and medical leave law. Only five of those require the employer to fund a portion of the premiums. None of the eight states surrounds Maryland.ⁱⁱ Our state theme is, "Open for Business." That theme even won an award last year.ⁱⁱⁱ Let us support that theme. Now is not the time to pass this bill.

Just two months ago, the Department of Legislative Services (DLS) issued a report on paid family and medical leave insurance. The report delves deeper into the costs and issues of FMLI programs, provides an overview of other states' experiences with FMLI programs, and provides Maryland-specific considerations and costs related to establishing a FMLI program. I wonder how many proponents, opponents and those who are undecided on this bill have taken the time to read and consider the implications of that report. If it is not 100%, now is not the time to pass this bill.

I respectfully suggest this matter be referred to summer study to better understand the implications, unintended consequences and consider how to shape this important public policy in a way that balances employers' and employees' needs.

I thank you for your time and consideration. I invite you to contact me if I can provide any more information or answer any questions.

Respectfully submitted,

Christine V. Walters

Christine V. Walters, J.D., MAS, SHRM-SCP, SPHR

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- ⁱ <https://www.shrm.org/hr-today/trends-and-forecasting/research-and-surveys/documents/total%20financial%20impact%20of%20employee%20absences%20report%20key.pdf>
- ⁱⁱ <https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/state-paid-family-leave-laws.pdf>
- ⁱⁱⁱ <https://commerce.maryland.gov/media/states-open-for-business-marketing-campaign-receives-2019-media-award>

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Uploaded by: Duckman, Ashley

Position: UNF



MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:

UNFAVORABLE

**Senate Bill 539-Labor and Employment-Family and
Medical Leave Insurance Program-Establishment
Senate Finance Committee**

Thursday, February 27, 2020

Dear Chairwoman Kelley and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce (MDCC) is the leading voice for business in Maryland. We are a statewide coalition of more than 4,500 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees and families. Through our work, we seek to maintain a balance in the relationship between employers and employees within the State through the establishment of policies that promote fairness and ease restrictive burdens.

Senate Bill 539 would establish a Family & Medical Leave Insurance (FAMLI) Program to be administered under the supervision of the Department of Labor's Unemployment Insurance (UI) Division.

The program generally provides up to 12 weeks of benefits to an employee who is taking partially paid or unpaid leave for certain reasons, except that an additional 12 weeks for benefits appears to be provided in certain circumstances. Leave with benefits is provided for the following reasons: 1) to care for a child during the first year after the child's birth or after the placement of the child through foster care or adoption; 2) to care for a family member with a serious health condition, 3) because the employee has a health condition that results in their being unable to perform the functions of their job, 4) to care for a service member who is the employee's next of kin, or 5) because the employee has an exigency arising out of the deployment of a service member who is a family member.

The bill establishes the FAMLI Fund, which will consist of contributions from employees and employers. Beginning January 1, 2021, each employee and employer shall contribute to the fund at a rate to be set by the Maryland Department of Labor. Self-employed individuals may also participate.

There are any number of additional nuances and complexities outlined in the language, and the Chamber is **very concerned** that the implementation of this legislation will result in additional costs and administrative burden to employers, and especially small businesses. As of this writing, no fiscal note has been published for either bill.

To be clear, the Chamber and its members recognize that paid family and medical leave programs are being implemented in other states across the country and in the federal government. While we agree with the intent of the legislation in seeking to help employees balance the challenges between work and life, we do not believe that this legislation appropriately balances those goals with economic realities. Through our MDCC Paid Family & Medical Leave (PFML) Workgroup, the Chamber has attempted to work with the advocates for this program to outline our concerns and encourage changes to the bill. Unfortunately, these changes, some of which help the bill more closely align with federal law and seek to address some of the challenges for small businesses, were not accepted. The Chamber will continue to

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work with stakeholders toward a better outcome on this issue. A comprehensive list of our main concerns is outlined below.

For these reasons, the Maryland Chamber of Commerce respectfully requests an **UNFAVORABLE REPORT** on SB 539.

The bill will have a significant, negative cost impact, particularly for small businesses and non-profits.

The bill establishes the FMLI Fund, which will consist of contributions from employees, employers and self-employed individuals. Beginning January 1, 2021, each employee, employer and self-employed individual shall contribute to the fund. The total rate of contribution: 1) may not exceed 0.5% of an employee's wages, 2) shall be applied to all wages up to and including the Social Security wage base, 3) shall be shared equally by employers and employees, and 4) shall be sufficient to fund the benefits payable.

The cost to employers presents additional financial strain to already burdened businesses. Mandated employer contributions are an additional financial demand that small businesses and nonprofits simply cannot afford, particularly given the layering of other employer mandates (sick and safe leave, \$15 minimum wage) that Maryland has implemented in the recent past. We are particularly concerned with the impact on small employers (those with fewer than 50 employees) and non-profits with limited resources (who are also facing significantly reduced charitable giving and government funding), who are struggling with these recent mandates. Other states that have implemented similar programs have recognized the impact on smaller employers and have incorporated provisions into their programs to relieve some of the pressure on these employers by exempting them from contributions or reducing their contributions. There is no such recognition in the proposed bill.

The bill does not permit an employer to require an employee to use any accrued paid leave in addition to benefits provided under this bill, thus increasing employers' A/P liability.

With no fiscal note just three days before the first scheduled hearing, employers may not have time to consider the fiscal implications.

The bill requires clarification that the program provides benefits to cover already-available leave, and not a separate leave bank.

While the bill states that it is establishing an insurance program to provide benefits for covered leave, the actual language of the bill is unclear as to whether it is also providing rights to leave itself, rather than just insurance benefits to cover unpaid leave to which an employee is otherwise entitled other under laws or employer policies.

Section 8.3-701(A) provides that "a covered individual taking leave from employment may submit a claim for benefits" for reasons that generally track the federal Family and Medical Leave Act. However, Section 8.3-701(B) also provides "A covered individual may take the leave for which the individual is eligible for benefits under subsection (A) of this section on an intermittent basis" and then goes on to provide parameters around the taking of intermittent leave, including scheduling and notice to the employer. In particular, (B)(3) states, "If leave is taken on an intermittent leave schedule, an employer may not reduce the total amount of leave to which the covered individual is entitled beyond the amount of leave actually



taken.” (Emphasis added). This language clearly conveys that the program is providing not just pay benefits but actual leave rights.

Similarly, Section 8.3-702(B) provides that “If a covered individual takes leave for which the covered individual is receiving benefits under this title, the leave shall run concurrently with eligible leave that may be taken by the covered individual under the federal Family and Medical Leave Act.” This language contemplates a leave bank separate from FMLA leave, which would run concurrently with FMLA leave, as opposed to providing benefits when an employee is taking FMLA leave.

In addition, Section 8.3-707 states that, “If a covered individual receives benefit under this title or takes leave from work for which benefit may be paid under this title, the employer of the covered individual shall, on the expiration of the leave, restore the covered individual to an equivalent position of employment.” (Emphasis added). This same protective language appears in Section 8.3-708 with regard to the provision of employment benefits. Again, this language offers protection not only for receiving benefits, but for taking leave under the bill. It absolutely insulates the leave, regardless of whatever rights employers would otherwise have to manage leave under other laws.

Section 8.3-801(B) also states, “When an employee requests leave under this title ... the employer shall notify the employee of the employee’s eligibility to take leave for which benefits may be paid ...” (Emphasis added). This language clearly considers the right under the bill to be leave, and not just benefits. Yet, the remainder of this section, which has to do with the required notification to employees, focuses on the receipt of program benefits, not leave.

Further, Section 8.3-904 provides that no adverse action may be taken when a covered individual has “filed for, applied for, or received benefits, or taken family or medical leave for which benefits may be paid under this title.” Once again, the bill contemplates the provision of leave in addition to benefits.

Other bill provisions appropriately focus on benefits. For example, Section 8.3-702(A) provides that “a covered individual may not receive more than 12 weeks of benefits in an application year.” (Emphasis added). This benefits language is carried throughout the rest of this subsection, as well as 8.3-702(C) (discussing “benefits under this title” but not leave). Similarly, the provisions on prohibited acts under Section 8.3-901 discuss false statements and other fraudulent acts only with regard to “a claim for benefits.”

Yet other provisions, like Section 8.3-704(B)(1)(III) contemplate “partially paid leave” that the employee would already be taking, and how benefits under the program would interact with that leave, which supports the premise that this is a benefits, and not a leave, program.

If this is a leave (with benefits) program, it leaves in the State’s hands the authority and responsibility of reviewing and approving leave requests – and then imposing on the employer that State-approved leave, which can be up to 24 weeks (almost 6 months). The employer would have no ability to review, control, verify or manage the leave process – contrary to its abilities under every other leave law that provides leave for the same reasons as this bill.

There are a number of laws that provide employees rights to such unpaid leave, beyond the federal Family and Medical Leave Act. For example, the Maryland Organ and Bone Marrow Donation law provides employees with unpaid leave for those purposes. The Maryland Parental Leave Act requires employers with 15-49 employees (who are therefore not covered by FMLA, which applies to employers with 50 or



more employees) with 6 weeks of unpaid leave. These laws, including the FMLA, do not autocratically and automatically impose leave obligations on employers, however. Rather, they contain the same requirements as FMLA for eligibility in terms of a minimum term of service (12 months) and hours worked (1,250 in the prior 12 months), thus ensuring that this valuable leave benefit is granted to employees who have shown a commitment to the employer through service. The organ donation law, like FMLA, allows an employer to terminate an employee for reasons unrelated to the leave. The parental leave law allows an employer to deny leave if it would cause “substantial and grievous economic injury to the operations of the employer.” In addition, all of these laws apply to employers of at least 15 employees. Thus, these laws offer a balance between the needs of employees and those of employers – particularly smaller employers.

In addition, the federal and state disability anti-discrimination laws require employers to provide unpaid leave rights to employees as a reasonable accommodation. These laws apply to employers with 15 or more employees. Again, there is a balancing of the rights of employees with the needs of employers. The leave rights are not absolute – they must be a reasonable accommodation and may not pose an undue hardship on the employer. That is an assessment that must be made on a case-by-case basis, taking into account many factors such as the length of the leave, the employee’s role for the employer, the employer’s resources, the impact on operations, etc. And as above, there is the recognition that these obligations are too burdensome to impose on small (under 15 employees) employers as a matter of course.

In contrast, there are seriously reduced eligibility requirements for employees under this bill, enabling employees with relatively short service to take extended leave. Moreover, every employer – even those with a single employee – would be required to give the employee the leave of up to 24 weeks and hold the job for the employee. There is absolutely no consideration as to the impact on an employer’s operations, which particularly for smaller employers would be dire. This is a plainly untenable situation.

If this is, as entitled and asserted, truly an insurance benefits program, then the program should only provide benefits for unpaid leave that the employee is already receiving, and not give employees the separate right to leave as well.

Definitions and terms in the bill are not consistent with the FMLA or other laws.

From a practical standpoint, the law most directly interrelated with this bill is the federal Family and Medical Leave Act. This bill, in fact, specifically references the FMLA. Section 8.3-403(B) requires that the implementing regulations to be developed by the Secretary of Labor “shall be consistent with regulations adopted to implement the federal Family and Medical Leave Act” (absent conflict with the bill). Section 8.3-702(B) provides that that any leave for which the employee receives benefits must run concurrently with FMLA. In addition, the reasons for which employees may receive benefits under the bill generally mimic the reasons for which an employee may take FMLA - but not entirely. We further note that these reasons are listed both in 8.3-302 and 8.3-701, but that the two lists are not actually identical in language, which could lead to confusion under the bill.

Additionally, the definitions contained in the bill language are broader than what is contained in the FMLA, and the bill lacks other, critical definitions that are contained in the FMLA, as follows:

- “Person” appears 18 times throughout the bill. It should be changed to either “employee” or “employer.”
- “Covered employee” has different eligibility requirements than the primary leave laws of FMLA, Maryland organ donation leave, and Maryland parental leave.
- The definition of “family member” is far broader than under FMLA.



- The definition of “qualifying exigency” is similar, but broader than under the FMLA.
- The definition of “serious health condition” is similar, but broader than under the FMLA.
- The definition of “service member” is not entirely consistent with the FMLA.

The variations in these terms and definitions complicate an already complicated situation for employers in terms of understanding and managing an employee’s need for leave under FMLA and entitlement to benefits under this bill. Different standards would apply to each, even though it seems that they are intended to work together.

A separate issue is that, as noted above, the bill specifically provides that the leave under this bill will run concurrently with FMLA leave. What the bill language ignores is the fact that there are other laws providing unpaid leave that should also run concurrently with any benefit period under the program. This includes Maryland’s organ donation law, Maryland’s Parental Leave Act, Maryland’s Deployment Leave Act, the Americans with Disabilities Act, and Maryland’s Civil Rights law. By excluding reference to these laws, as well as any others that may apply, and any additional leave rights provided by employer policy, this bill suggests that such leave rights would run in addition – not concurrently – with benefits under the program. That clearly is not the intent of the program.

The length of leave—up to 24 weeks – is unduly burdensome for employers.

The entitlement to benefits under the bill well exceeds any statutory length of leave. The FMLA provides for 12 weeks of leave for all reasons combined (26 weeks if caring for a service member is involved). Section 8.3-702 of the bill, however, provides benefits and leave of 12 weeks for the employee’s own serious health condition and another 12 weeks for any other reason. Thus, this bill provides that an employee could literally take leave with pay benefits for almost half a year!

Having an employee out for that length of time presents innumerable challenges for an employer in terms of covering the employee’s absence. Because the employer must hold the job open, they cannot hire another employee to fill the position on a permanent basis and it is not likely, particularly in this tight job market, that an applicant would be interested in short-term work. The use of temporary staffing services can be expensive. And in certain cases, temporary staffing workers may not have the skills or knowledgebase to perform the position in question. Using existing employees to cover the work is also problematic. Increasing the workload may mean that those employees may not get all the work done, may require overtime payments, and will impose burdens on those employees that will cause resentment and anger – both at the employer and the employee on leave.

As previously noted, the various existing leave laws take into consideration the burden of extended leaves on employers and do not automatically impose such extended leave requirements for employees. This bill, however, offers no such consideration.

There is no means to verify the validity of leave certification and address benefit abuse.

Verification and abuse of benefits are already a major challenge for employers as it relates to the implementation of the sick and safe leave mandate, as well as under the federal Family and Medical Leave Act. Under the Maryland Healthy Working Families Act, verification of the need for sick and safe leave may only be required if an employee is absent for more than two consecutive shifts or if, with agreement upon hire, the employee is absent during the 107th-120th days of employment. As many of employers can attest, they have seen an increase in unscheduled call-outs of less than three days at a time – which



cannot be verified and subjected to discipline. Similarly, an employee who has been certified by a physician as needing intermittent FMLA leave cannot generally be required to verify each absence. This bill, as written, would exacerbate those challenges. However, both laws provide employers with some recourse and ability to verify longer leaves and, in the case of FMLA, suspicious or questionable use of leave.

Although the bill provides for certification to the State of the need for medical leave for which benefits may be awarded, it contains no process by which such certification can be verified or challenged at all – either by the State or by employers. Employers are not even entitled to see the certifications obtained by the State. Accordingly, while the bill prohibits fraud in the application for benefits, there is no means by which an employer or the State can use to address suspected fraud in the use of leave or application for benefits. And given that the employee is “entitled” to an extended leave with pay benefits, there is unfortunately an incentive for some employees to engage in fraud.

We also note that there is no certification process for benefits for leave due to qualifying exigencies associated with a service member’s deployment. This is both inconsistent with the FMLA and subject to abuse.

The bill does not sufficiently account for alternative options.

Section 8.3-706 states that an employer who has a private employer plan that meets or exceeds the requirements under the program is exempt from the required contributions. Many employers provide short term disability benefits to employees who cannot work because of a medical condition. Many employers provide paid parental leave benefits. Many employers provide general paid time off benefits that may be used for any reason, including those under this bill. We are not aware, however, of any employer who provides paid leave benefits that cover all of the reasons set forth by the bill for the extended period of time (up to 24 weeks) contemplated by the bill. Thus almost no employers would qualify for this exemption, even though they may provide paid leave that covers some of the listed reasons.

What the bill does is to create a disincentive for employers to provide these alternative benefits. If an employer provides paid parental leave, for example, there is a cost to the employer to provide that leave and the employer is still responsible for the contribution to the State program – which would provide benefits for the same reason. Thus, the employer is effectively paying twice to provide the same benefit to the employee. It is only logical that an employer would simply eliminate its paid parental leave benefit, thereby saving the cost of the benefit, and require the employee to apply for benefits through the State program to which it must contribute regardless.

Other states’ paid family leave benefits programs are more thoughtful in addressing these alternative benefits. For example, Washington D.C. requires employers to contribute to the program but also allows an employer that provides such paid leave benefits to seek reimbursement from the program for such benefits. In this manner, the employer is only required to pay once for the benefit.

Another issue is that the bill does not require coordination of these other paid leave benefits with the program benefits. Section 8.3-703 provides that an employer “may allow” an employee to use vacation, sick leave, or other paid time off to bridge the difference between the program benefits and 100% of wages. But if an employee chooses not to use such alternative paid leave, it is possible that they could “stack” the program benefit and alternative paid leave benefit, such that once the up to 24 weeks of



program benefits are exhausted, they would still have other paid leave available to use. The potential amount of total leave is staggering, and untenable for employers.

The bill presents collective bargaining agreement challenges.

Section 8.3-203 provides that “An employee’s rights to benefits under this title may not be diminished by a collective bargaining agreement entered into or renewed ... on or after June 1, 2020” and further provides that any waiver is void as against public policy. This provision is contrary to the entire premise of the National Labor Relations Act, which contemplates that employers and unions may bargain over the terms and conditions of employees’ employment, including paid leave benefits such as those contemplated by this bill. A union may choose to give up certain benefits in order to achieve others that it and the employees it represents value more greatly, and this choice is one that is granted to them under the NLRA. Similarly, an employer and union may wish to agree to administer or access benefits differently than this bill provides, and their rights to do so under the NLRA should be respected.

In addition, the impact of compliance with the law is problematic for employers subject to a CBA that provides for paid leave benefits. Although the quoted language above contemplates that any current CBA will continue until expiration, it does not postpone compliance with the law as to contributions and employees’ rights to benefits under the program. Thus, in addition to the employer being forced to pay twice to provide similar benefits, there is no consideration for how existing CBA benefits would coordinate with the new program benefits.

Employers should not face a private right of action.

Employers in Maryland already face a multitude of reasons that they can be sued by employees. This bill adds yet another basis, in addition to providing for administrative remedies through a complaint process to the Secretary. The administrative remedies are sufficient to address any potential violations; a private right of action is not necessary.



SHRM_UNFAV_SB539

Uploaded by: Duckman, Ashley

Position: UNF



Opposition to SB 539

“Family & Medical Leave Insurance Program” Submitted to the Senate Finance Committee

February 27, 2020

Dear Chairwoman Kelley and Members of the Committee:

Maryland Society for Human Resource Management State Council, Inc. (“MD SHRM”) represents more than 7,000 HR professionals across the state. MD SHRM is acutely aware that family and medical leave laws are on the rise and paid time off to care for family and serious health conditions can be a rewarding benefit. MD SHRM is not opposed to family and medical leave, and, in fact, offered proposed revisions and amendments to the bill last fall. However, MD SHRM does have significant concerns with the implementation and compliance with **SB 539** and is in opposition to the bill as written. MD SHRM opposes the bill for the following reasons:

It creates undue financial and administrative burdens, particularly for small employers and non-profits. HR professionals are charged with administering employer leave and benefit programs. At present, Maryland and the federal government require employers to provide a significant number of leave benefits. Maryland alone mandates that employers offer Maryland sick and safe leave, Maryland Parental leave, Maryland Flexible leave, Organ Donor Leave, Maryland Military Leave for Deployment of Family members, Voting leave, Montgomery County Sick and Safe Leave, Jury Duty, Pregnancy leave, FMLA and disability. Moreover, the definitions and requirements of the bill do not align with the federal FMLA or existing Maryland leave laws; expanding definitions of use and eligibility; allowing for inconsistent application and confusion.

Most small employers and non-profits cannot afford full time HR professionals or employment attorneys to properly navigate the all of the state and federal mandated leave laws. Thus, leaving these employers to do the best they can while facing significant penalties and fines if they make one mistake.

The bill does not allow for the coordination or flexibility of all paid leave and benefits an employer offers. The Bill states that an employer may opt out of the program only if they provide a plan that meets or exceeds the requirements of the bill. Employers who provide some paid family leave or insurance would not qualify. Thus the employer would have to offer two separate plans or choose one. This bill actually provides a disincentive for employers to provide alternative options. Employers who can provide paid leave do so and do so with many alternative options. Small business employers who financially cannot will

not be able to support such a program in addition to the already numerous programs that exist.

This mandate of paid family and medical leave for all employers regardless of size is not feasible for MD SHRM to support. It places significant challenges on small employers by providing up to 24 weeks of leave in one calendar year, mandating that an employer hold the job open. With employees absent for extended periods of time, employers, in order to operate the place of employment, must cover the employees' shift or work, hire an unskilled temporary employee or not have the work done. HR professionals and employers have firsthand knowledge of the challenges that this bill presents. MD SHRM seeks to work with the bill proponents to establish a more balanced and administratively feasible family and medical leave insurance program that this bill, as written, ignores.

For the reasons outlined above, **MD SHRM strongly urges your unfavorable vote for SB 539.**

Respectfully submitted,
Cheryl U. Brown
MD SHRM Governmental Affairs, Chair

Burch Oil_UNFAV_SB539

Uploaded by: Frey, Paul

Position: UNF



24660 Three Notch Rd Hollywood, MD 20636
301-373-2131 • 800-479-4120
FAX 301-373-3012

POSITION: OPPOSE

Testimony Concerning SB539 Establishing a Family & Medical Leave Insurance Program Submitted to the Senate on February 27, 2020

Burch Oil Co., Inc. and Burch Propane, LLC object to SB539, which would require employers and employees to contribute equally to a fund that would allow for paid time off for up to 12 weeks. This leave can be used 1) to care for a child during the first year after the child's birth or after the placement of the child through foster care or adoption; 2) to care for a family member with a serious health condition, 3) because the employee has a health condition that results in their being unable to perform the functions of their job, 4) to care for a service member who is the employee's next of kin, or 5) because the employee has an exigency arising out of the deployment of a service member who is a family member.

Burch Oil and Burch Propane's payroll and payroll tax expense has increased approximately \$20,000 with the implementation of the new hourly wage rate from 2018 to 2019. Burch has also incurred another \$85,000 in payroll expense from the sick and safe leave mandate requirement that went into effect February 18, 2018. The projected expense for the Family and Medical Leave Insurance Tax is \$25,000. There will also be a burden placed on the company to provide the reporting and administration necessary for this fund, which is another expense.

For employees who were just recently promised an increase of the minimum wage to \$15.00 an hour because it was determined that they did not make enough to support a decent living, this is an additional tax for them. This tax would reduce their take home pay which thus contradicts why the new minimum wage law was passed.

A recent BLS report based on the American Time Use Survey shows that of all workers who took paid or unpaid leave for any reason, less than 10% took the leave for family illness or childcare purposes. This represents approximately 2% of all wage and salary earners.

Data from the New Jersey Department of Labor and Workforce Development survey revealed that many employees do not take leave or did not take it for the full allowed time because the maximum reimbursement was not enough to meet their financial needs.

From the studies done above the Family & Medical Leave Insurance Program would be an added burden and expense on employers, but more importantly an added tax on employees who will more than likely never take advantage of the leave because the payout would not be enough to sustain their standard of living.

Sheryl B. Norris

WashCoChamber_UNFAV_SB539

Uploaded by: Frey, Paul

Position: UNF

February 27, 2020

The Honorable Senator Delores G. Kelley
Chair, Finance Committee
3 East Miller Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Finance Committee, SB 539, February 27, 2020, 1 pm

Dear Chair Kelley and Members of the Committee:

The Washington County Chamber of Commerce, on behalf of our more than 575 members, representing over 40,000 employees, opposes SB 539, Labor and Employment - Family and Medical Leave Insurance Program – Establishment. Following are just a few of our concerns:

1. The bill establishes the FAMLFI Fund, which will consist of contributions from employees, employers and self-employed individuals. The cost to employers presents additional financial strain to already burdened businesses. Mandated employer contributions are an additional financial demand that small businesses and nonprofits simply cannot afford, particularly given the layering of other employer mandates like sick and safe leave and the \$15 minimum wage legislation that Maryland has recently implemented.
2. The definitions contained in the bill language are far broader than what are outlined by FMLA, making it complex and challenging to administer and comply with two vastly different sets of definitions for eligibility.
3. The bill does not clarify whether or not this program is meant to provide wage replacement for leave to which an employee is already entitled, or if it is meant to apply to a separate bank of leave, leaving the door open to the possibility that an employee could be eligible for up to 24 weeks of paid leave. Having an employee out for that length of time presents innumerable challenges for a business in terms of productivity and for the other employees who are left to fill in the gaps.
4. This is not a predictable benefit like sick and safe leave; not all employees can plan for or predict a benefit they may never use.
5. Finally, this legislation is premature. Only five states have passed a related law. Each is different from the other. One state, Massachusetts, faced challenges resulting in delayed implementation and technical amendments. Two states fund the paid leave through a tax on employees only, including California. Let's not add to the patchwork of state laws with which multistate employers must comply. Congress currently has at least four paid

family leave bills pending. Let's work to shape a uniform, paid family leave program administered at the federal level.

For these reasons, and many more presented by other opponents of this legislation, the Washington County Chamber of Commerce opposes SB 539, Labor and Employment - Family and Medical Leave Insurance Program – Establishment, and we ask for an UNFAVORABLE report from the Finance Committee.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul Frey". The signature is fluid and cursive, with the first name "Paul" and last name "Frey" clearly distinguishable.

Paul Frey, IOM
President and CEO

PGAMA_JayGoldscher_UNF_SB539.HB839

Uploaded by: Goldscher, Jay K.

Position: UNF

**Senate Bill 539/ House Bill 839: Labor and Employment –
Family and Medical Leave Insurance Program – Establishment**

POSITION: OPPOSE

Senate Finance Committee

February 27th, 2020

Dear Chairwoman Kelley and Senate Finance Committee Members:

As President of the Printing and Graphics Association Mid Atlantic (PGAMA), I would like to take this opportunity to formally submit our position on Senate Bill 539/ House Bill 839, entitled, "Labor and Employment- Family and Medical Leave Insurance Program – Establishment". PGAMA is a nonprofit association headquartered in Columbia, Maryland representing over 225 companies in the Mid-Atlantic region, with the vast majority of which are located in Maryland.

If passed, this bill would establish the Family and Medical Leave Insurance (FAMLI) program and FAMLI Fund to provide up to 12 weeks of benefits to a covered individual taking leave from employment due to specified personal and family circumstances. As written, contributions to the fund, which are shared equally between employers and employees, are also based on employee wages. All employers who employ at least one employee must participate in the program. A "covered employee" is an employee who has worked at least 680 hours over a 12-month period immediately preceding the date on which leave is to begin.

This bill is clearly well-intentioned – to provide financial support to employees who miss work because of caring for specified family members, the individual's own serious health condition, or a qualifying exigency arising out of a family member's military deployment. Despite this worthy objective, we see a significant number of problems with the overall concept of imposing another mandate on employers and more specifically with the implementation of this bill as currently drafted, which is in essence anti-business. Accordingly, **PGAMA opposes this legislation.**

Most businesses want to treat their employees fairly and well. It is better for business when employees are happy, productive and loyal. In addition, there are costs associated with recruiting, hiring, and training employees. If employees leave, it is expensive to recruit, hire and train new employees. Moreover, there are also costs associated with employees who leave, such as unemployment insurance. The more unemployment claims filed against an employer, the higher the taxation rate for that employer.

But there is the business reality. Employers tend to give what they can afford and still remain competitive. It is critical to recognize the impact on these organizations from mandated benefits laws. Even the federal government understands that smaller employers are less able to provide certain types of benefits.

For PGAMA, the overall make up of our memberships consists of small family-owned businesses that generally employ 20 or less employees. These small family-owned employers are facing challenges ranging from technological changes, capital equipment costs, workforce development and increasing costs of all types, many of which they are not able to pass on to their customers. Against that backdrop, SB 539/HB 839 would add another burden on our members by the introduction of a tax to fund Family Leave.

Additional Issues with the Family and Medical Leave Insurance (FAMLI) program and FAMLI Fund as a Mandated Benefit

Cost Impact, particularly for small businesses and non-profits

- The cost to employers presents additional financial strain to already burdened businesses.
- Mandated employer contributions are an additional financial demand that small businesses and non-profits simply cannot afford, particularly given the layering of other employer mandates (sick and safe leave, \$15 minimum wage) that Maryland has implemented in the recent past.

Definitions of Eligibility

- The definitions contained in the bill language are far broader than what are outlined by FMLA.
- It will undoubtedly be complex and challenging to administer and comply with two vastly different sets of definitions for eligibility.

Length of Leave

- The bill does not clarify whether or not this program is meant to provide wage replacement for leave to which an employee is already entitled, or if it is meant to apply to a separate bank of leave, leaving the door open to the possibility that an employee could be eligible for up to 24 weeks of paid leave.
- Our industry requires collaborative teamwork in many of our applications and thus having an employee out for any length of time presents innumerable challenges.

Verification/Abuse

- Verification and abuse of benefits are already a major challenge as it relates to the implementation of the sick and safe mandate. This program, as written, would exacerbate those challenges.

Implementation/Administrative Complexity

- The bill would require large-scale tracking and verification systems to ensure compliance; Employers would be left to create, manage and administer obtuse tracking systems; Many of our members do not have this internal capability and would incur additional costs if they are required to contract out that responsibility.

Communication

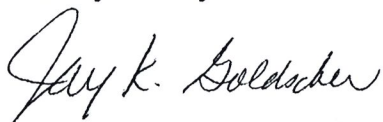
- The bill language is unclear on how these benefits would be communicated to employees—i.e. is this done annually based on a specific date or based on an employee's hire-date?

Although, well intended, the breadth of this bill's application is extensive and unwarranted. This legislation reaches into every business throughout the state, with little regard to the bill's potential impact on employers. It is probable that the implementation of this legislation will lead to unintended consequences and unnecessary litigation.

SB 539/HB 839 is unnecessary legislation that will hurt small employers and expose all employers to increased employment litigation. It would help foster an anti-business climate in this State, at a time when we need to bring employers into the State to create new jobs. In summation, we turn to the famous words of Nobel Prize winner economist, Milton Friedman, who said, *"One of the great mistakes is to judge policies and programs by their intentions rather than their results."*¹

Despite its good intentions, there would be numerous negative results that outweigh those positive intentions of this Bill. **Therefore, PGAMA opposes this legislation and respectfully urges this committee to give SB 539/ HB 839 an unfavorable vote.**

Thank you for your consideration,



Jay K. Goldscher

President and CEO

Printing and Graphics Association Mid-Atlantic (PGAMA)

¹ Milton Friedman, in an interview with Richard Heffner on The Open Mind. Aired December 7, 1975
bfi.uchicago.edu/post/Milton-friedman-his-own-words.

MDAAP_Wendy Lane_FAV_SB0539

Uploaded by: Kauffman, Danna

Position: UNF



TO: The Honorable Delores G. Kelley, Chair
Members, Senate Finance Committee
The Honorable Antonio Hayes

FROM: Wendy Lane, M.D., MPH, Chair, Child Maltreatment and Foster Care Committee, Maryland Chapter of the American Academy of Pediatrics

DATE: February 27, 2020

RE: **SUPPORT** – Senate Bill 539 – *Labor and Employment – Family and Medical Leave Insurance Program – Establishment (TIME TO CARE ACT OF 2020)*

The Maryland Chapter of the American Academy of Pediatrics is a statewide association representing more than 1,100 pediatricians and allied pediatric and adolescent healthcare practitioners in the State and is a strong and established advocate promoting the health and safety of all the children we serve. On behalf of MDAAP, we submit this letter of support for Senate Bill 539 – *Labor and Employment – Family and Medical Leave Insurance Program – Establishment (TIME TO CARE ACT OF 2020)*

Senate Bill 539 will establish Family and Medical Leave Insurance for Marylanders. It will provide employees up to 12-weeks paid leave to care for new children, family members with serious health conditions or disabilities, or themselves.

The first few months and years of a child's life are vital to his or her physical and emotional development. Allowing a parent time to stay home with that child during the first months of life provides a myriad of benefits to the child and family. These include:

Effective maternal-child and paternal-child bonding

Attention to child health care needs, particularly if a baby is born premature, at low birth weight, or with birth defects.

- Strong establishment of breastfeeding, and longer duration of breastfeeding. This can reduce respiratory track and ear infections, and reduce the risk of sudden infant death syndrome. It may also reduce rates of childhood obesity, type 2 diabetes, allergies, and asthma.¹
- Increased involvement of fathers in children's care.²
- Improved vaccination completion.³
- Increased placement in high quality, stable child care.⁴

¹ <https://www.nichd.nih.gov/health/topics/breastfeeding/conditioninfo/benefits>

² Nepomnyaschy L, Waldfogel J. Paternity leave and fathers' involvement with their young children: Evidence from the American ECLS-B. *Community, Work, and Family*. 2017;104(4):427-453

³ Skinner & Ochshorn, "Paid Family Leave"; Mark Daku, Amy Raub, & Jody Heymann, "Maternal leave policies and vaccination coverage: A global analysis," *Social Science & Medicine* 74(2012): 120-124.

⁴ National Partnership for Women & Families, 2018. <http://www.nationalpartnership.org/our-work/resources/an-agenda-for-progress-for-women-and-families.pdf>

- Reduced rates of abusive head trauma (shaken baby syndrome).⁵
- Decreased infant mortality⁶
- Reduced rates of maternal post-partum depression⁷

Family leave policies ensure that all parents have the opportunity to stay home with their newborn or sick child, to develop a strong family bond, and to improve health outcomes. For all of these reasons, MDAAP strongly urges a favorable report.

⁵ Klevens J, Luo F, Xu L, Peterson C, Latzman NE. Paid family leave's effect on hospital admissions for pediatric abusive head trauma. *Injury Prevention*. 2016;22(6):442-445.

⁶ M. Rossin, "The effects of maternity leave on children's birth and infant health outcomes in the United States," *Journal of Health Economics* 30(2011): 221-239; S. Tanaka, "Parental leave and child health across OECD countries," *The Economic Journal* 115(2005): F7-F28.

⁷ Kornfeind KR, Sipsma HL. Exploring the link between maternity leave and postpartum depression. *Women's Health Issues*. 2018;28(4):321-326.

WMDA_UNF_HB 539

Uploaded by: McCauley, Kirk

Position: UNF



WMDA/CAR Service Station
and Automotive Repair Association

Chair: Delores G. Kelley
Members of Senate Finance Committee

RE: SB539 – Family and Medical Leave Insurance Program – Establishment
Position: In opposition

SB 539 is a very complex bill and will add significant cost to small businesses to track and implement. Most of the small businesses that WMDA/CAR represents do not have a dedicated HR person nor legal counsel. Were this bill to pass they will clearly need both to ensure compliance.

The cost to a small business for contributions and professional help is just the beginning. Overtime pay, replacement personnel, upgrading software and record keeping all raise the costs.

Minimum wage along with sick leave is increasing costs every year. It is time to let small business breath. As the fiscal notes said, “Small Business Effect: MEANINGFUL”. That is an understatement.

Under this bill an employee would be eligible for 12 weeks of paid leave if he worked 680 hours over a 12 month period immediately preceding the date paid leave is to begin. This is an amazing ratio when an employee works 17 weeks and gets 12 weeks off.

Please give SB539 an unfavorable Report

WMDA/CAR is a trade association that has represented service stations, convenience stores and independent repair shops since 1937. Any questions can be addressed to Kirk McCauley, 301-775-0221 or kmccauley@wmda.net

SB 539_OPP_MCCC_Swanson

Uploaded by: Swanson, Tricia

Position: UNF



To Lead, Advocate and Connect as the Voice of Business

**Senate Bill 539 – Labor and Employment – Family and Medical Leave
Insurance Program – Establishment**

Finance Committee

February 27, 2020

OPPOSE

The Montgomery County Chamber of Commerce (MCCC), as the voice of Montgomery County business, **opposes Senate Bill 539**. House Bill 839 generally provides up to 12 weeks of benefits to an employee who is taking partially paid or unpaid leave for the following reasons: to care for a child during the first year after the child's birth or after the placement of the child through foster care or adoption; to care for a family member with a serious health condition; because the employee has a health condition that results in their being unable to perform the functions of their job; to care for a service member who is the employee's next of kin; or because the employee has an exigency arising out of the deployment of a service member who is a family member.

The bill establishes a Family & Medical Leave Insurance (FAMLI) Program. The FAMLI Fund, consists of contributions from employees, employers and self-employed individuals. Beginning January 1, 2021, each employee, employer and self-employed individual shall contribute to the fund. The total rate of contribution: 1) may not exceed 0.5% of an employee's wages, 2) shall be applied to all wages up to and including the Social Security wage base, 3) shall be shared equally by employers and employees, and 4) shall be sufficient to fund the benefits payable.

There are any number of additional nuances and complexities outlined in the language, and MCCC is very concerned that the implementation of this legislation will result in additional costs and administrative burden to employers, specifically small businesses. Over the last four years, the General Assembly has passed legislation requiring (small) businesses provide paid sick leave and reach a minimum wage of \$15 by 2025. While both are important supports for employees and Maryland's workforce, MCCC has concerns that the addition of an employer supported FAMLI requirement is too much, too soon. Businesses must be given time to absorb prior legislation and its impact to their bottom line.

For the aforementioned reasons, **the Chamber opposes Senate Bill 539 and respectfully urges an unfavorable report.**

The Montgomery County Chamber of Commerce (MCCC) accelerates the success of our nearly 500 members by advocating for increased business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and is proud to be a Montgomery County Green Certified Business.

RestaurantAssociation_MelvinThompson_OPPOSE_SB539

Uploaded by: Thompson, Melvin

Position: UNF



Senate Bill 539

Labor and Employment - Family and Medical Leave Insurance Program

February 27, 2020

Position: Oppose

Madame Chair and Members of the Senate Finance Committee:

The *Restaurant Association of Maryland* opposes Senate Bill 539, which would establish a Family and Medical Leave Insurance Program. This program would be funded through shared contributions by employees and employers.

Foodservice businesses are still struggling to absorb higher labor costs associated with Maryland's sick/safe leave mandate and the recent minimum wage law that phases in an increase to \$15/hour. Many foodservice businesses are also preparing to switch to costlier carryout food containers when the new polystyrene foam ban takes effect this summer. With a narrow average profit margin of 4 percent for our industry, every \$1,000 in increased costs requires at least \$25,000 in increased sales just to break even.

Our industry simply cannot afford piling on yet another mandate that increases the cost of doing business, particularly when we haven't had time to adjust to so many others. Moreover, we are concerned that employer contribution rates for this proposed program will eventually increase to maintain fund solvency as more employees take advantage of such a benefit.

During a recent meeting, one of our restaurant members with locations in the District of Columbia shared with us that a similar program recently took effect there through an employer payroll tax. However, we could not glean any information about the District of Columbia's experience because we understand that the program there has not yet started paying benefits. We also understand that several other states have recently enacted similar programs but have not yet started to pay benefits. It would be prudent for Maryland to evaluate such programs in other states after they are fully implemented before rushing to enact policy here that could be costlier than anticipated, and at the expense of employers.

For these reasons, we oppose this legislation and request an unfavorable report.

Sincerely,

A handwritten signature in black ink, reading "Melvin R. Thompson".

Melvin R. Thompson
Senior Vice President
Government Affairs and Public Policy

UptownPress_JackWeber_UNF_SB539.HB839

Uploaded by: Weber Jr., Jack R.

Position: UNF



501 West 23rd Street . Baltimore, Maryland 21211

410-889-8686 . 410-889-8687 fax . 800-896-8023 toll free

www.uptownpress.com

February 26, 2020

Dear Chairwoman Kelley and Senate Finance Committee Members:

I am opposed to the following pieces of legislation (SB 539) that is under consideration at this time. This bill has serious negative implications affecting small businesses like mine and would hinder future growth and the hiring of additional employees. This bill has the possibility of creating an additional burden to my business, which could cause me to close the doors for good!

- Additional cost to businesses and employees
- Loss of an employee for 12 weeks or more with difficulties finding temporary help or paying out overtime
- Additional administrative expenses and impact

The language of the legislation is not clear enough for an employer like myself to support it in any manner. If you are going to persist in attempting to establish a Family & Medical Leave Insurance Program, I suggest you take into account the impact it may have on businesses. Further, I hope you take sufficient time to interview a wide variety of business owners and learn first hand about the current regulations, restrictions and economic forces that we face on a daily basis.

Again, I am not in favor of the proposed legislation (SB539) and trust you will reconsider pursuing the current language as it stands now.

Regards,

Jack R. Weber Jr.

Jack R. Weber Jr.

President

Uptown Press, Inc.

CSG_UNFAV_SB539

Uploaded by: Wilson, Michele

Position: UNF

LEGISLATIVE POSITION:

UNFAVORABLE

**Senate Bill 539-Labor and Employment-Family and
Medical Leave Insurance Program-Establishment
Senate Finance Committee**

Thursday, February 27, 2020

Dear Chairman and Members of the Committee:

My name is Michele Wilson and I am the Director of Human Resources for Culinary Services Group, we are a multi-state employer and a Top 50 food service management company specializing in senior living, hospitals, and behavioral health care and our mission is to improve the lives of those we serve. Most of our clients receive their funding from Medicaid and Medicare so unless they're funding is increased this cost is not something that we can pass on to our clients. In Maryland we have employees in the following counties, Carroll, Montgomery, Baltimore, St. Mary's and Prince Georges.

We share many of the concerns already expressed by the Maryland Chamber of Commerce and Maryland SHRM State Council, Inc. Specific to our company, we currently offer our employees the benefit of an extended leave bank aka "PBT." Employees may donate some of their unused, paid leave into a bank that may be used by an employee facing a family or medical leave need.

We currently carry a total of 13,225 hours, which is the equivalent of approximately \$343,850 in PBT accounts payable liability. We estimate our tax liability under SB 539 would be \$26,000.00 if SB39 passes and we are required to pay an additional tax on each employee's wage, we will likely do away with this *voluntary* program and explain to our employees that they will now be subject to a *mandatory* deduction to serve the same purpose.

For paid leave benefits, we offer PBT or Paid Benefit Time, which is leave an employee may use for any reason. Last year, our employees left 12,642 hours of unused, paid leave in their banks. And, only 1% of extended leave hours were used. We believe we are already offering more than enough paid leave to cover our employees' needs. Subjecting them and us to a tax to cover a need that many of them will never have is not the best way to go about this. We do not believe the proposed funding level will be sufficient to cover the claims that would be submitted to the plan. Our further concern is that the proposed tax would only increase substantially in the future to provide the funds the program would require to be solvent.

SB 539 will also reduce our competitive edge. We are proud of this and many other benefits we offer that our competitors don't. Every mandate flattens the market. With increases in minimum wage, mandatory paid sick leave, this proposal and more, it will be harder and harder to set ourselves apart when we are required to offer more and more benefits, and of the same kind already provided.

We also require all employees to exhaust all accrued paid leave before being absent without pay. SB 539 provides that an employer may "permit" an employee to use accrued paid leave but not require it. We believe requiring all employees to first exhaust their accrued paid leave is an equitable approach. For these reasons and more, we respectfully request your unfavorable report on SB 539.

Benefits Offered

Health, Dental & Vision Insurance

Short Term Disability

Long Term Disability

Company paid life insurance \$50,000 exempt \$20,000 hourly

PBT accrual

PBT/Extended Illness – Donating time to another employee

Tuition Reimbursement

Voluntary Life and AD&D for employee, spouse and children

Employee Assistance Program

Life Keys Program provides access to a wide array of services

Travel Connect Caring support and assistance when you travel

Accident Indemnity Insurance

Critical Illness Insurance

Hospital Indemnity Insurance

Group Whole Life Insurance

Flexible Spending Account

Dependent Care FSA

HSA

HRA

401K with a company match

Mosaic_SarahWilson_UNF_SB539.HB839

Uploaded by: Wilson, Sarah

Position: UNF

February 26, 2020

Maryland General Assembly
Legislative Services Building
90 State Circle
Annapolis, MD 21401

Re: **SB 539**

Dear Sen. Malcolm Augustine, Del. Diana Fennell, and Del. Julian Ivey:

My name is Sarah Wilson and I am the Vice President of Human Resources for MOSAIC, a commercial printer, in Prince George's County. After reviewing SB 539, I have some concerns that I would like to present and ask for additional thoughts and details be put into the bill before moving forward.

1. **Cost impact for small businesses.** MOSAIC is a small business with about 120 employees and implementing this bill would present a financial strain to our business. The Maryland Sick and Safe Leave Act has put a strain financially and operationally on our operation and adding the Family & Medical Leave Insurance Program would only add to this strain. When employees are on FMLA at MOSAIC, is not easy to bring temporary workers into our industry. Implementing this program would only increase the number of employees out of work and would affect the business. With programs such as Worker's Compensation and Unemployment Insurance, we can somewhat control those costs by implementing safety programs, making smarter hiring decisions, etc. but MOSAIC will have no control over the cost or use of this program. When an employee or an employee's family member gets sick is not something that can be planned or controlled. What cost control measures can MOSAIC put into place to ensure this program does not drastically, negatively affect our budget and profit?
2. **Definitions of eligibility.** The language in the bill is broader than FMLA, and that causes concern for our business because it will increase the amounts of time employees will be away from their work, which will affect the operation. As an example, FMLA does not generally cover grandparents or grandchildren, but this bill allows for those groups to be covered. That will instantly increase the usage of the benefit, which will cause a burden to our business, but also drain the funds of the FMLI quickly.
3. **Complex and challenging to administer.** There are many gray areas in the current bill, which leaves confusion for both MOSAIC and the employee. What happens if an employee leaves the employ of MOSAIC while using this benefit? If the program is being administered by Unemployment Insurance, I assume UI is cutting checks for employees? If so, will the contribution be required to be paid by the employee and employer if they are not receiving a paycheck from the employer but rather from Unemployment Insurance? If this benefit is for the employees, why should the employer have to share equally in the contribution?

Will there is a separate sign-off required approving UI to deduct the contribution from an employee? Who will gather and track that sign-off? What if the employee does not want to participate in the program? What if they refuse? The definition of wages – will that be clearer? Does an employee referral bonus count as “wages” in this program? If an employee is out on leave and using the program and a new application year starts, does the employee still need to satisfy 680 hours before the benefit starts again? Or can the employee receive another 12 weeks, since it is a new application year? Will the state be responsible for issuing W2s (or some other tax form) to these individuals? Or will the companies be responsible for inputting the amounts as 3rd party sick pay? Those are only a few of the questions that came up as I was reading the bill. As you can see, there are so many nuances to work out.

4. **Length of leave.** The bill does not clarify whether this program is meant to provide a wage replacement for leave to which an employee is already entitled, or is it meant to apply to a separate bank of leave, so it could potentially provide up to 24 weeks of paid leave. FMLA already presents a challenge for a company like MOSAIC because we have 1 and 2 people in departments so when one person goes out on FMLA, that presents many challenges on productivity, work getting out the door, and maintain customer satisfaction levels.
5. **Verification and abuse.** Verification and abuse of FMLA is a problem employers face and that is an unpaid benefit. By offering such a rich benefit and not giving companies full control over the process, the abuse of the program could be rampant. What infrastructure will need to be created for Unemployment Insurance to handle the volume of requests and management of this program? What measures will be taken to reduce abuse of this benefit? What infrastructure will be set up to have open and constant communication between the agency and the employer? This will be especially difficult to contain abuse if the employee is using the program intermittently.
6. **Implementation and administrative complexity.** MOSAIC offers FMLA to qualified employees, but this program would be run externally of the Company. There will be confusion with communication and coordination between the employer, employee and Unemployment Insurance. I will also ask the infrastructure questions that were asked in point number 5. This bill will require large-scale tracking and verification systems to ensure compliance. What part will MOSAIC need to play in also tracking this information. Will this cause our company to have to incur additional costs in either labor or systems? Allowing for intermittent use of this benefit would be a nightmare, especially on the communication part. As I have seen with intermittent FMLA, it can be difficult to track, and employees do not always communicate what absences are FMLA related and what are normal absences. What would the communication requirements be between the employees and UI and between UI and MOSAIC?

Here is a good example of what happens at MOSAIC for an employee on intermittent FMLA; how would the FMLI program handle this? An employee calls 5 minutes before their shift starts to say they are not coming into work and it's due to their chronic, serious medical condition. Who do they tell? What measures are in place to ensure the payroll records are correct for that employees? At a minimum, intermittent use of this program should be removed.

7. **Alternative planning.** While I think it is beneficial for employees to have protection and benefits while out of work due to a medical condition or a family's medical condition, many options already exist such as Worker's Compensation, Short-Term Disability, Aflac plans, etc. I do not believe that it should be on MOSAIC and other businesses to have to provide paid leave for as much compensation and as long as this bill is suggesting.
8. **Challenges with CBAs.** MOSAIC has 3 different collective bargaining agreements to contend with and adding a program like this will be difficult to implement in addition to the other benefits that the CBA provides to the employees.

Based on the above points, I would ask the Maryland General Assembly to reconsider SB 539 and take more time to redefine the bill to be fair to all businesses, including small businesses.

Sincerely,



Sarah Wilson
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MACS_Letter of Information_SB 539

Uploaded by: Howell, Laura

Position: INFO



Maryland Association of Community Services

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Laura Howell,

Executive Director

February 27, 2020

Letter of Information

SB 539: Labor and Employment – Family and Medical Leave Insurance Program --
Establishment

Dear Chairwoman Kelly and Members of the Committee,

The Maryland Association of Community Services (MACS) is a non-profit association of over 100 agencies across Maryland serving people with developmental disabilities (DD). MACS members provide residential, day and supported employment services to thousands of Marylanders, so that they can live, work and fully participate in their communities.

I am writing to share information regarding the potential impact of SB 539 on community-based providers of services to Marylanders with developmental disabilities, and the people they support. The intent of SB 839, to assist employees who need leave in order care for a family member or loved one, is a goal that DD providers support, which is why MACS supported the Maryland Healthy Working Families Act in 2017.

However, the financial and administrative challenges raised by SB 539 threaten to negatively impact some segment of the 17,000 Marylanders with disabilities and their families that DDA-licensed providers support. While some caregivers will certainly be helped by SB 539, the impact of the bill on services with high vacancy and turnover rates will, we fear, have a negative affect on others. Currently, providers struggle to maintain full staffing, and if they are unable to do so for extended periods of time, the supports that people rely on are jeopardized.

MACS is concerned that the current workforce crisis will be exacerbated when providers are unable to find qualified replacement staff for employees who might be eligible under the bill for up to twenty-four weeks of leave-- in addition to any accrued vacation leave.

Additionally, the vast majority of DD providers are nonprofit organizations that rely on funding from the State and Federal governments. Unlike other businesses, DDA-licensed Medicaid providers are prohibited from passing on cost increases to the people they support. The unfunded employer mandate proposed by this legislation raises concerns for DD providers, many of whom are already operating on thin margins due to a state reimbursement rate that hovers near minimum wage for direct support workers—a rate that is responsible in large part for the historically high vacancy and turnover rates that DD providers are facing.

Alternatively, asking low-wage workers to bear the cost of the program outlined in SB 539 would negatively affect the direct support workforce, many of whom cannot afford to lose any additional funding from their paychecks. While the bill would provide a benefit to some members of this workforce, MACS is very concerned about a mandate that would further reduce the take-home pay of already low- wage workers who, if given the opportunity, might prioritize take-home pay over the paid leave benefit.

It is possible that in future years, once the State has completed the rate-setting process that is currently underway and adequately funded DD services, a family and medical leave insurance program may only have a positive affect on the strength of community-based DD services. Until that time however, we fear the legislation will exacerbate the problems of a system already in crisis.

Sincerely,

Laura Howell
Executive Director

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