

**MHLA**  
Maryland Hotel  
Lodging Association

**HB375 – Oppose  
Family and Medical Leave Insurance Program – Establishment  
Economic Matters Committee  
February 16, 2021**

Dear Chairman Davis and Members of the Committee:

As the sole statewide trade association dedicated to advocacy for Maryland's lodging industry, with more than 700 hotels totaling 75,000+ rooms, we urge an unfavorable report on HB 375.

House Bill 375 would seek to establish a Family & Medical Leave Insurance Program (FAMLI) which would be funded by a payroll tax applied to both the employee and employer.

**While the establishment of such a fund is well intentioned, we are very much concerned by the cost and administrative burden it would place on employers, at a time when our industry simply cannot afford it.** The economic climate that the pandemic has produced for the hotel industry is devastating, as detailed by the American Hotel Lodging Association's [2021 State of the Industry Report](#).

The overwhelming majority of hotels are trying to survive right now. Many have had to make tough decisions to remain open or suspend operations (temporarily or indefinitely). All have had to lay employees off or severely reduce hours. Virtually none are profitable or even close to breaking even. Any additional costs placed on employers at this time will likely cause even more jobs to be lost, at a time when ten years of employment gains in the hotel industry have been erased by the pandemic.

Additionally, there are several fundamental flaws with the language of the bill that the Maryland Chamber of Commerce has detailed in their testimony. In this regard, MHLA concurs with the findings of the Chamber and shares those same concerns. Rather than replicating details in this letter, we defer to the Chamber's position but would be glad to provide additional information if requested by the Committee.

For the reasons expressed in this letter, we oppose HB 375 and request an unfavorable report.

Respectfully submitted,

Amy Rohrer, CAE  
President & CEO