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January 26, 2021

Senator Dolores G. Kelley Chair, Senate Finance Committee Maryland State Senate 3 East, Miller Senate Office Building Annapolis, MD 21401

RE: SB0211 - Labor and Employment - Family and Medical Leave Insurance Program - Establishment (Time to Care Act of 2021) - Position: OPPOSE

Dear Chairwoman Kelley, Vice Chair Feldman, and Members of the Committee:

On behalf of our 500-member businesses and more than 45,000 employees in Montgomery County, The Greater Bethesda Chamber of Commerce is in **Opposition to SB0211** – **Labor and Employment** - **Family and Medical Leave Insurance Program** - **Establishment (Time to Care Act of 2021).** This bill 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 for certain circumstances.

There are a number of issues with this legislation:

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- 1. <u>COST</u>: Over the past few years, companies throughout the state have been impacted by other mandated laws that greatly impacted their bottom line and ability to be successful or profitable at all, such as sick and safe leave, minimum wage increases and especially the impact that the COVID crisis has on all businesses.
- 2. MANAGEMENT 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. 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.
- 3. <u>ADMINISTRATIVE NIGHTMARE</u>: 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 employers do not have this internal capability and would incur additional costs if they are required to contract out that responsibility.

Bottom line, now is not the time to implement more mandated benefits to employees at a cost to both the employee and employer, when everyone is focused on just getting back to normalcy. We ask you to please vote **UNFAVORABLE** on this unnecessary and damaging bill. Thank you for your consideration of our remarks.

Sincerely,

Allie Williams
President & CEO