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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

January 28, 2021

Testimony of Senator Antonio Hayes in Support of SB 211:
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 the job they need and the family they love. 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.

Covid-19 has brought to light the harsh realities that far too many face in deciding if they are able to afford caring for a loved one. Nearly 350,000 Marylanders have contracted Covid-19 since the start of this pandemic and this has brought real hardship to families across the state. It is truly a shame that people are forced to choose between economic security and caring for their family. This pandemic has only heightened the need for a sensible paid family leave program and that is what the Time to Care Act provides.

The Time to Care Act (**SB 211**), 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 1,011 Maryland registered voters was conducted December 11-26, 2020 and identified extremely strong support for a proposed family and medical leave program. Eighty-eight percent of voters favor this proposal, while only 8% oppose it.

SB 211, 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 newly amended 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 2022, while benefits will not start to be distributed until July 2023.

SB 211 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 benefits equal to or exceeding those in the legislation. There is a combined contribution rate of no more than 0.75% 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 9 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 211.

Respectfully,

Senator Antonio L. Hayes
40th Legislative District - MD