



LEGISLATIVE POSITION:

FAVORABLE

House Bill 496

Commission on the Establishment of a Family and Medical Leave Insurance Program

Senate Finance Committee

Tuesday, March 29, 2022

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 5,500 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic recovery and 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.

HB 496 establishes a Commission on the Establishment of a Family Medical Leave Insurance (FMLI) Program which will be comprised of staff from the Department of Labor (MDL) and the Department of Legislative Services. On the commission will be two members of the Senate, two members of the House of Delegates, Secretary of Labor, State Treasurer, Comptroller, National Federation of Independent Businesses, Maryland Chamber of Commerce, Maryland Retailers Association, a representative from a national organization with expertise in the implementation of FMLI programs in other states, private section labor union representative, an economist, and a representative of a community organization that advocates for working families. Finally, the bill expresses legislative intent that \$25 million be set aside in the fiscal 2023 budget to support the work of the commission and for MDL to prepare for implementation.

The decision to establish a program such as Family and Medical Leave Insurance is enormous and comes with sweeping implications. It should be done with as much information as feasible and consideration of all the possible options. HB 496 will allow a commission to consider many things, including private market options like the program in New York or a system which pays benefits for unpaid leave which is already given, like in California. Before the legislature rushes to pass a new mandate, we strongly encourage the Senate Finance Committee to consider the many issues and options which remain in context of the uncertainty businesses and workers continue to navigate. It stands to reason that laying this new mandate on top of current recovery efforts and an uncertain economic future won't be good for Maryland businesses.

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 these benefits have been extended to federal government and state government employees. We agree with the intent of FMLI programs in seeking to help employees balance the challenges between work and life however,

we need legislation that appropriately balances those goals with the economic challenges and realities being faced by Maryland employers and workers.

HB 496 will produce the information necessary to inform the policy decision that will ultimately be made by the General Assembly of Maryland. For these reasons, the Maryland Chamber of Commerce respectfully requests a **FAVORABLE REPORT** on **House Bill 496** and stands in strong support of this legislation.

