



OUR MISSION:

Working to enhance the economic prosperity of greater Silver Spring through robust promotion of our member businesses and unrelenting advocacy on their behalf.

**HB496– Labor and Employment – Family and Medical Leave Insurance Program – Establishment
Economic Matters Committee**

February 15, 2022

UNFAVORABLE

On behalf of the Greater Silver Spring Chamber of Commerce, representing 400 member organizations, including very small businesses with fewer than ten employees and several nonprofits, in the greater Silver Spring area of Montgomery County, I write to express our opposition to HB496 - Labor and Employment – Family and Medical Leave Insurance Program – Establishment (Time to Care Act of 2022).

Our opposition to this bill is not in principle, but in practice. HB496 is not the right bill nor is this the right time. We have seen this legislation introduced and evolve over the past several years. Throughout that time, our members have been concerned about the additional financial impact it will have on their ability to be in business. We recognize that HB496 includes an exemption for the smallest employers, those having fewer than 15 employees, and we appreciate that consideration. However, our major concerns about the bill remain:

- Under the current bill, employees can receive up to 24 weeks of paid leave— 12 weeks for family reasons and 12 weeks for their own needs. It's conceivable that an employee could be away for as long as 6 months, in a labor market where employers are struggling to find employees to fill existing jobs, let alone fill in for absent employees.
- The state makes all the decisions about the leave without any input from the employer. Only the state can obtain certification to support the employee's application for paid leave benefits. Only the state can approve the leave. The employer has no ability to verify the need for leave, to challenge leave as fraudulent or abusive, or to take into account the impact of the leave on business operations.
- While the bill does require both the employer and the employee to contribute to the fund, our members are concerned that the additional financial strain on their businesses, still struggling from the impact of the pandemic will be unaffordable.
- The bill does not clarify whether the 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.
- To say that COVID-19 has had a tremendous, detrimental impact on Maryland's economy would be an understatement. Our already beleaguered small businesses continue to struggle to stay afloat and keep their doors open. A period of major economic downturn and future uncertainty is not the time to implement new employer mandates that stand to negatively impact businesses that are struggling to overcome the impact of the pandemic.

If a paid family and medical leave program is to be successful, it must be workable for both employees AND employers. This bill does not. For these reasons, the Greater Silver Spring Chamber of Commerce respectfully requests a **UNFAVORABLE committee report on HB496**.

Jane Redicker

President & CEO

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