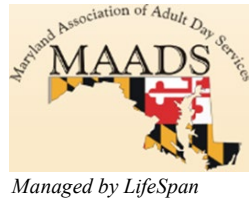


HB0496 - Senate_FAV_LifeSpan, MAADS, MNCHA, Hospic

Uploaded by: Danna Kauffman

Position: FAV



TO: The Honorable Delores G. Kelley, Chair
Members, Senate Finance Committee
The Honorable C.T. Wilson

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer

DATE: March 29, 2022

RE: **SUPPORT** – House Bill 496 – *Commission on the Establishment of a Family and Medical Leave Insurance Program*

On behalf of the LifeSpan Network, the Maryland Association of Adult Day Services, the Maryland-National Capital Homecare Association, and the Hospice and Palliative Care Network of Maryland, we respectfully **support** House Bill 496 as amended in the House of Delegates. House Bill 496 creates a Commission to study key factors necessary for implementation of a Family and Medical Leave Insurance Program.

On behalf of our respective memberships and our employees, we value our workforce and understand that there are times that this workforce must be absent to care for themselves and their family members. Never is this need clearer than during the COVID-19 pandemic. However, as providers of care to Medicare and Medicaid beneficiaries, we must balance this need against our obligation to ensure that quality of care is provided to our residents and clients on a consistent and uninterrupted basis, often 24 hours, seven days a week. When employees are absent from work, care still must be provided. While the absent employee would be compensated by the established Fund under the bill, the employer would still need to pay for a replacement worker to ensure that care is being provided. Often, this is through overtime of existing staff or contracting with nurse staffing agencies, which is now being charged at rates often four times pre-pandemic.

For various reasons, there is simply an inadequate number of staff to care for patients. Because Medicaid continues to reimburse providers below the cost of care, many providers are competing with retail establishments and other big box stores for staff because they can pay higher wages. We are strongly concerned that this bill will exacerbate the staffing crisis given that more individuals would qualify for leave (over Maryland's paid sick and safe leave) to care for individuals other than themselves for extended periods of time.

Therefore, given the precarious situation that many providers of health care are experiencing due to the COVID-19 pandemic, both those that accept Medicaid and those that do not, we believe that House Bill 496 as amended by the House of Delegates is the best approach for determining how a Family and Medical Leave Insurance Program should be implemented. The report and recommendations from the Commission still will allow for timely consideration.

For more information call:

Danna L. Kauffman
Pamela Metz Kasemeyer
410-244-7000

BaltimoreCounty_FAV_HB0496.pdf

Uploaded by: Joel Beller

Position: FAV



JOHN A. OLSZEWSKI, JR.
County Executive

JOEL N. BELLER
Acting Director of Government Affairs

JOSHUA M. GREENBERG
Associate Director of Government Affairs

MIA R. GOGEL
Associate Director of Government Affairs

BILL NO.: **HB 496**

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

SPONSOR: Delegate Valderrama

COMMITTEE: Finance

POSITION: **SUPPORT**

DATE: March 29, 2022

Baltimore County **SUPPORTS** House Bill 496 – Labor and Employment – Family and Medical Leave Insurance Program – Establishment. This legislation establish the Commission on the Establishment of a Family and Medical Leave Insurance Program.

Family and medical leave is crucial to the health and well-being of all Maryland residents. The COVID-19 pandemic has forced many employees to choose between earning a paycheck to support their families or taking the time to stay home and care for them. For many, the decision has significant consequences on the financial and physical health of their families. As an employer of more than 20,000 individuals, Baltimore County supports the implementation of a paid family leave program in the State of Maryland.

House Bill 496 would establish a Commission to study paid family leave in Maryland, which would protect Maryland’s workers by providing them with family and medical leave paid for by contributions of all employees in the state.

Accordingly, Baltimore County requests a **FAVORABLE** report on House Bill 496. For more information, please contact Joel Beller, Acting Director of Government Affairs at jbeller@baltimorecountymd.gov.

HB 496 MDCC Commission on the Establishment of a F

Uploaded by: Maddy Voytek

Position: FAV



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.



HB 496 Commission on the Establishment of a Family

Uploaded by: Robin McKinney

Position: FAV



HB 496 - Commission on the Establishment of a Family and Medical Leave Insurance Program
Senate Finance Committee
March 30, 2022
SUPPORT WITH AMENDMENT

Chair Kelley, Vice-Chair, and members of the committee, thank you for the opportunity to submit testimony in support with amendment of House Bill 496. This bill will create a commission on the establishment of a Family and Medical Leave Insurance Program; however, CASH supports/believes that the state needs a program to protect families from financial crisis from becoming sick or caring for a loved one.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than \$10,000 annually. More than half earn less than \$20,000.**

Family and Medical Leave (FMLA) is a federal program that provides insurance to employees that work for a covered employer. However, this is not an option for many employees in Maryland which leaves them with limited or no options. Some employees have access to unpaid leave, while others risk being fired for taking leave. When employees encounter health related hardships, they experience high levels of mental, emotional, and physical stress. This stress is increased by the demands of work and the inability to stop working to appropriately address concerns. Decision making, healing, and financial stability are compromised when employees do not have adequate options to navigate difficult times.

Families have been battling a global pandemic since early 2020. Maryland has had over 900,000 confirmed cases of COVID-19¹. Some of the families affected were able to take an appropriate time away from work without fear of losing their jobs or losing crucial income. Many families were not. The need has increased to protect worker's ability to care for themselves and their families. There are new strands of COVID-19, which have a higher transmission rate². This can lead to more COVID-19 cases and lengthen the duration of the pandemic. Also, there are long term effects of surviving COVID-19³. This can leave people with serious short- and long-term complications. COVID-19 not only threatens the health of Marylanders, but it also threatens the financial security of those directly and indirectly affected.

HB 496, if amended, can create a safety net for future medical complications and allow individuals the time and space they need to care for loved ones that may have a serious illness or disability, address any personal health issues, and care for and bond with newborns.

HB 496 should be amended to create a program that:

- Employers contributes at least as much as employees, so it is affordable to for all,
- Cover all working people equally, regardless of gender or types of family,
- Provide 12 weeks of paid leave for all of the reasons people need paid leave, and
- Protect workers against job loss for taking leave.

For these reasons, we encourage a favorable report with amendments on HB 496.

¹ [COVID Maryland](#)

² [CDC](#)

³ [CDC](#)

HB 496_MFN_FWA_Macsherry X-OVER.pdf

Uploaded by: Clinton Macsherry

Position: FWA



Testimony Concerning HB 496
“Commission on the Establishment of a Family and Medical Leave Insurance Program”
Submitted to the Senate Finance Committee
March 29, 2022

Position: Support with amendments

Maryland Family Network (MFN) strongly supports establishing a Family and Medical Leave Insurance (FAMLI) program through which employees could take partially paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves.

MFN has worked since 1945 to improve the availability and quality of child care and other supports for children and their families. We have been active in state and federal debates on policies that address the needs of working families and are strongly committed to ensuring that they have the supports they need to care for their children while meeting the demands of their jobs.

For many Maryland employees, the ability to take time away from work following the birth or adoption of a child is simply unaffordable. And yet we know that benefits to children, to parents, and to society as a whole are profound. Parental leave demonstrably improves child and maternal health, and it helps address some of the most critical opportunities for child development.

Nearly 25% of women return to work after taking 10 or fewer days of parental leave, potentially putting themselves and their children at risk physically and emotionally. New mothers who take paid leave are more likely to breastfeed and less likely to suffer from maternal depression. Their children are more likely to attend their well-baby visits, to receive their immunizations, and to thrive. Fathers who take time off after the birth of a child are more likely to remain involved in the child’s life. Parents with paid leave are better able to balance work and family responsibilities, and they have greater economic security than parents without access to paid leave.

Families have to juggle many demands on their time, but none are more important than their responsibilities to their children. HB 496, if amended, gives parents time to care for their families during a critical window of child development.

We urge you to amend HB 496 to put it in the same posture as SB 275 as it passed the Senate.

Health Care for the Homeless - HB 496 FWA - PFML -

Uploaded by: Joanna Diamond

Position: FWA

TESTIMONY IN SUPPORT WITH AMENDMENTS
**HB 496 – Commission on the Establishment of a Family and Medical
Leave Insurance Program**

Senate Finance Committee
March 29, 2022



Health Care for the Homeless supports HB 496 with amendments to conform the bill to how this committee passed a Family and Medical Leave Insurance Program (SB 275). With these amendments, the bill establishes a Family and Medical Leave Insurance (FAMLI) program through which employees may take up to 12 weeks of paid leave from their jobs to care for new children, other family members with serious health conditions or disabilities, or themselves. Health Care for the Homeless is deeply committed to equitably supporting our staff as whole people. As a nonprofit agency of 250 employees, we have long offered paid time off and paid parental leave to help our staff navigate changes in their lives – and it has only improved retention and morale.

We applaud this body for taking important measures over the last several years to support Marylanders in the workplace, such as providing employees paid sick days and increasing Maryland’s minimum wage. Providing access to paid family and medical leave is an important next step to help enable workers across Maryland to deal with life events like a major illness or caring for a new child without facing financial hardship.

Establishing a program like paid family and medical leave program would enable workers across Maryland to deal with life events like a major illness or caring for a new child without facing financial hardship. This has been true for our agency which has implemented similar policies. And, importantly, our doors have remained open for the clients we serve.

You will hear from employers who claim that establishing a paid family and medical leave program would negatively impact their bottom line. We heard the same unfounded fears when other policies to support Maryland workers were being considered. Take, for instance, raising the minimum wage. Contrary to what some small businesses and non-profits argued - that they could not afford \$15/hr. and it would result in layoffs - our agency is proof that raising the minimum wage was good for staff and employers, both. We instituted a wage floor many years before the General Assembly passed legislation to increase minimum wage and what actually happened is that we hired more staff and have since more than tripled in size. Staff morale and retention improved, and staff took fewer hardship loans against their retirement accounts.

Similarly, we found that offering our employees benefits like paid time off and paid parental leave help support employees and their families. And, importantly, our doors have remained open. In fact, we provide more care and services to more clients because of our policies that help keep our staff and their families safe and healthy. In fact, businesses in Maryland and throughout the country that have offered paid leave have found similarly positive results. In states that have paid family leave laws, reports from businesses have shown that after five years of implementation, opponents’ concerns about costs, litigation, and administrative burdens had generally not panned out.¹

Policies promoted by this bill, with the amendments to conform it to SB 275, are good for everyone, and we strongly stand behind this bill.

Health Care for the Homeless is Maryland’s leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness. We work to prevent and end homelessness for vulnerable individuals and families by providing quality, integrated health care and promoting access to affordable housing and sustainable incomes through direct service, advocacy, and community engagement. We deliver integrated medical care, mental health services, state-certified addiction treatment, dental care, social services, and housing support services for over 10,000 Marylanders annually at sites in Baltimore City and Baltimore County. For more information, visit www.hchmd.org.

¹ See Jennifer Redmond and Evgenia Fkias, “California Paid Family Leave Act Is Less Onerous Than Predicted,” Society for Human Resource Management Legal Report, 2010, https://www.sheppardmullin.com/media/article/809_CA%20Paid%20Family%20Leave%20Act%20Is%20Less%20Onerous%20Than%20Predicted.pdf.

Family Leave - Chair - testimony - house in senate

Uploaded by: Lisae C Jordan

Position: FWA



Working to end sexual violence in Maryland

P.O. Box 8782
Silver Spring, MD 20907
Phone: 301-565-2277
Fax: 301-565-3619

For more information contact:
Lisae C. Jordan, Esquire
443-995-5544
www.mcasa.org

Testimony in Support of House Bill 496
Lisae C. Jordan, Executive Director & Counsel
March 29, 2022

The Maryland Coalition Against Sexual Assault (MCASA) is a non-profit membership organization that includes the State's seventeen rape crisis centers, law enforcement, mental health and health care providers, attorneys, educators, survivors of sexual violence and other concerned individuals. MCASA includes the Sexual Assault Legal Institute (SALI), a statewide legal services provider for survivors of sexual assault. MCASA represents the unified voice and combined energy of all of its members working to eliminate sexual violence in the State of Maryland. We urge the Finance Committee to report favorably on House Bill 496 with Amendments.

House Bill 496 – Paid Family Leave

Economic stability is critical for survivors of abuse seeking to leave violent situations and reduce risk of sexual assault, domestic violence, and child abuse. This bill is an important piece of economic security for all Marylanders, including survivors. As originally introduced, HB496 would help address the economic hardship, stress, and other burdens that come into play when caring for new children, loved ones with serious health conditions, or yourself. Employees' ability to take up to 12 weeks of paid leave will help Maryland families meet their caregiving, employment, and financial needs and commitments while caring for their family.

HB 496 would have furthered the purposes of the Family Medical Leave Act and the state laws extending similar protections. Many employees, including survivors of sexual violence, have been assisted by the passage of laws allowing them to take leave to care for their own or a close family member's serious health condition, or to care for a new child, without losing their job. Yet the ability to take leave is often accompanied by a reduction or elimination of the employee's regular wages. This leaves many abuse victims – particularly low income women – without meaningful access to leave.

To address the current economic crisis, and return the over a million women to our workforce, and our economy, the legislature must take action. House Bill 496 as introduced was a reasonable and modest effort that demonstrates Maryland's commitment to working families by

helping to protect their health, stability and wellbeing, and will have an immediate positive impact on our economy.

Safe Time

MCASA respectfully requests that the Committee amend HB496 to also permit paid leave for “safe time”. Safe time is an integral part of Maryland’s Family Medical Leave Act, allowing survivors of sexual assault and domestic violence to take earned time off to seek protective orders, counseling, and to tend to other matters related to addressing and ending violence. While many of these activities would also qualify for paid leave under HB496, others will not – but they should. Paid family leave should include time to protect yourself and your family from further violence.

Time to Act, Further Discussion is Unnecessary

MCASA was disappointed that the House chose to turn HB496 into a Commission bill to discuss issues that have been thoroughly vetted. We strongly encourage the Finance Committee to reject this approach and act to create paid family leave and conform HB496 to SB275 with the Safe Time amendment discussed above.

**The Maryland Coalition Against Sexual Assault
urges the Finance Committee to
report favorably on House Bill 496 with Amendments**

Cross Over - HB 496 - Labor and Employment - Famil

Uploaded by: Michelle Siri

Position: FWA

BILL NO: House Bill 496 – Cross Over Hearing
TITLE: Commission on the Establishment of a Family and Medical Leave Insurance Program
COMMITTEE: Senate Finance Committee
HEARING DATE: March 29, 2022
POSITION: **FAVORABLE WITH AMENDMENTS**

The Women's Law Center of Maryland has long supported establishing paid family leave in Maryland. House Bill 496, as originally drafted, would have made paid family leave a reality for thousands of Maryland families. Unfortunately, as amended, HB496 creates a Commission *to study and make recommendations* for establishing a Family and Medical Leave Insurance (FAMLI) Program but does not go far enough to create the paid family leave program Marylanders need right now. As such, we would respectfully urge the Senate to amend HB496 to conform to the Senate version of the bill.

As noted above, the bill's purpose, as originally drafted and substantially as passed by the Senate in SB275, is to provide income replacement during what would otherwise be unpaid leave taken under the Family and Medical Leave Act or for employees not entitled to benefits under that act. The bill would provide a continuity of income for persons needing to take time off to care for themselves, for a family member with a serious health condition, or for a newborn or newly placed adopted or foster child, or to take time needed for enumerated reasons related to a relative being deployed by the armed services.

This bill would create a structure for income replacement benefits similar to the well-established unemployment benefit system. It would contribute to the financial stability of Maryland workers and families, and because it spreads the risk of paying such benefits among all employers, it would tend to reduce discrimination against employees who themselves are, or who have family members who are, disabled, ill, injured, pregnant, or in the military. The funds will be sourced by contributions made by both employers (25%) and employees (75%), for a shared contribution not to exceed up to .75% of wages. Those covered employees are then entitled to up to 90% of their average weekly salary during periods of qualified leave. Additionally, the bill provides an exemption for employers offering equal or greater benefits, allows self-employed individuals to opt in or out of the program,

The Women's Law Center supported HB 496 because it furthered the purposes of the FMLA and the state laws extending similar protections, including the more recently enacted Pregnancy Leave Act. Many employees have been assisted by the passage of laws allowing them to take leave to care for their own or a close family member's serious health condition, or to care for a new child, without losing their job. Yet the ability to take leave is often accompanied by a reduction or elimination of the employee's regular wages. This is of particular concern to the Women's Law Center as women continue to be the primary caregivers for children and family members. Yet at the same time, the number of women entering the workforce has continued to grow. Unfortunately, while women now make up nearly half the workforce, and two-thirds of Maryland families have women as the sole, primary, or co-breadwinner, women are disproportionately represented in low-wage jobs. Indeed, while only 18% of workers in general are covered by paid leave, that number is reduced to 6% for low wage workers – the workers who can least afford to go without a paycheck. As such, it should not be surprising that 15% of working women who have a child without paid leave end up on public assistance. But this legislation could benefit the workforce as a whole, as women with paid leave are 70% more likely to return to work, thus saving employers time and money that would otherwise need to be spent on recruiting, hiring, and training new staff.

During the pandemic, women have been disproportionately forced out of the job market at unprecedented rates. This so-called she-cession has resulted in women, who are overrepresented in many of the sectors that have been hardest hit such as hospitality, leisure, restaurants, and education, accounting for as much as 83% of the jobs lost in those sectors.

It has been even more devastating for Black and Latina women, who make up a disproportionate percentage of workers in those sectors and who, not surprisingly, have experienced unemployment levels at an even higher rate than their white counterparts. During December of 2020, women accounted for all the net jobs lost in the entire country. Our hope was that as the economy rebuilt, that those losses would be addressed, but sadly, that is not the case. The most recent jobs report was incredibly optimistic - showing promising signs of recovery amid the ongoing pandemic and staffing shortages. Yet much of that growth was driven by men. New research from the National Women's Law Center shows that over one million men joined the labor force in January, compared to just 39,000 women. In other words, men have now recouped all of their job losses since the pandemic began, while women are struggling to catch up with nearly 1.1 million fewer women in the labor force now compared to February 2020.

To address the current economic crisis, and return over a million women to our workforce and our economy, the legislature must take action. HB 496 could be a reasonable and modest effort that demonstrates Maryland's commitment to working families by helping to protect their health, stability and wellbeing, and will have an immediate positive impact on our economy. Therefore, the Women's Law Center urges a favorable report on House Bill 496, with amendments conforming it to SB275.

The Women's Law Center of Maryland is a private, non-profit legal services organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal representation for individuals and statewide advocacy to achieve systemic change.

HB0496_TimeToCareCoalition_FWA.pdf

Uploaded by: Myles Hicks

Position: FWA



TESTIMONY ON HB 496 - SUPPORT WITH AMENDMENTS

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

Senate Finance Committee

March 29, 2022

Submitted by Myles Hicks, Manager of the Time to Care Coalition

The Time to Care Coalition is a statewide coalition of almost 2,000 organizations and individuals - including non-profits, faith communities, unions, and businesses - that has been working since 2016 to establish a comprehensive paid family and medical leave program in Maryland.

The Time to Care Coalition supports - with amendments - HB 496, which would establish a Commission on the Establishment of a Family and Medical Leave Insurance Program to study and make recommendations for establishing a Family and Medical Leave Insurance Program in the State. The Time to Care Coalition supports amendments that would strike the Commission and put HB 496 in the same posture as SB 275, which has already passed the Senate.

The Time to Care Coalition supports a Paid Family and Medical Leave (PFML) program that follows our five key principles: a program must be cost-effective for workers, employers, and the government; cover all working people and apply equally to all working people; reflect an inclusive definition of family and include the well-established reasons people need paid family and medical leave; provide up to 12 weeks of leave and replace a substantial share of workers' usual wages; and protect workers against adverse consequences for taking leave.

As passed by the House, HB 496 creates a commission, not the PFML program that Marylanders need. The proposed commission to study how to establish a paid family and medical leave program is unnecessary and would be the fourth study in ten years. Notably, the Task Force to Study Paid Family and Medical Leave was created in 2016 and issued a report in December of 2017, addressing most of the issues outlined in HB 496. Marylanders need a PFML program that provides a safety net for workers and their families now. More time to study PFML is redundant; therefore, we strongly support using this legislative session to establish a strong paid family and medical leave program in Maryland.

The Time to Care Coalition supports amending HB 496 to the same posture that SB 275 passed the Senate, thereby creating a PFML program instead of a study or commission. No one should have to choose between treating a serious health condition, caring for a family member, and meeting their basic needs. The Time to Care Coalition believes that this is the year for the General Assembly to pass a strong paid family and medical leave program. Thank you for your consideration.

For a full list of member organizations, visit: timetocare.net

NCADD-MD - HB 496 FWA - FMLI - Senate.pdf

Uploaded by: Nancy Rosen-Cohen

Position: FWA



Senate Finance Committee

March 29, 2022

House Bill 496

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

Support with Amendments

NCADD-Maryland supports House Bill 496 **with amendments that conform this bill to the Family and Medical Leave Program created by this Committee through Senate Bill 275**. The creation of a Family and Medical Leave Insurance (FAMLI) program in Maryland would allow families to take up to 12 weeks of paid leave to care for the birth or adoption of a child, family members with serious health conditions or disabilities, family members who are leaving for military deployment, or for their own health conditions.

For families dealing with substance use disorders, this bill would allow people who are in treatment or supporting a family member in treatment to take time off from work and focus on beginning the recovery process. People may need time off of work in order to take part in a residential program, or even an intensive outpatient program. People may need time off to support a family member in intensive treatment. The family member may need assistance with transportation and keeping track of appointments with counselors, case managers, and other health care providers.

With only one in ten people with a substance use disorder accessing treatment, policies like FAMLI will help people keep their jobs, keep their incomes, and find recovery. We urge this committee to amend HB 496 to conform with SB 275 and report the bill.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.

Opposition of HB 496 - Labor and Employment - Fami

Uploaded by: Colby Ferguson

Position: UNF



Maryland Farm Bureau, Inc.

3358 Davidsonville Road • Davidsonville, MD 21035 • (410) 922-3426

February 15, 2022

To: House Economic Matters Committee

From: Maryland Farm Bureau, Inc.

Re: **Opposition of HB 496 - Labor and Employment - Family and Medical Leave Insurance Program - Establishment**

On behalf of our member families, I submit this written testimony opposing HB 496. This bill establishes the Family and Medical Leave Insurance Program in the Maryland Department of Labor to provide benefits to individuals who take sick leave from employment. The bill establishes the Division of Family and Medical Leave Insurance in the Department to administer the Program and establishes the Family and Medical Leave Insurance Fund as a special, non-lapsing fund. Both the employer and employee would pay into the fund. All size businesses would be included, and this would include self-employed businesses. There are no agriculture exemptions in the bill.

MDFB Policy: We oppose mandated health insurance. We encourage Maryland to extend tax benefits to long-term care insurance.

MDFB Would remove opposition to the bill if the program were to be voluntary or an agriculture exemption be added. Here is amendment language for an Ag exemption:

This is the existing Ag exemption language in the current law found in the Labor and Employment Article as 3-1301 (e)(4) - "Employee" does not include an individual who: is employed in the agricultural sector on an agricultural operation under § 5-403(a) of the Courts Article;

MARYLAND FARM BUREAU RESPECTFULLY OPPOSES HB 496

A handwritten signature in black ink, appearing to read 'Colby Ferguson'.

Colby Ferguson
Director of Government Relations

For more information contact Colby Ferguson at (240) 578-0396

HB 496 Family and Medical Leave Ins Program (Valde

Uploaded by: Barbara Wilkins

Position: INFO



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

HOUSE BILL 496 Commission on the Establishment of a Family and Medical Leave Insurance Program (Valderrama)

STATEMENT OF INFORMATION

DATE: March 29, 2022

COMMITTEE: Senate Finance

SUMMARY OF BILL: HB 496, as amended, establishes a 14-member Commission to study and make recommendation for establishing a Family and Medical Leave Insurance Program (FMLI); directs the Commission to consider how other states have established FMLI programs and the results from an actuarial analysis regarding sustainable funding levels; requires the Commission to reports its findings and recommendations by December 1, 2022; expresses legislative intent that \$25 million be set aside in the FY 2023 Budget to support the work of the Commission and to support the Department of Labor to prepare for the implementation of a FMLI; expresses legislative intent that the statutory framework establishing a FMLI Program shall be effective not later than June 1, 2023, include the findings and recommendations of the Commission, enable benefits to be paid by June 1, 2024, and require an employer/employee cost share in the tax. Effective date of June 1, 2022.

EXPLANATION: The Department's Office of Personnel Services and Benefits is charged with administering the Statewide Personnel System for executive branch agencies, with the exception of the Department of Transportation (MDOT) and University of Maryland System (UMS). State employees have historically been recognized as enjoying an extremely robust leave package, which makes a FMLI Program redundant.

State employees are currently protected under FMLA and enjoy significant amounts of leave that are not typically provided in the private marketplace. Therefore, the State is currently focused on providing competitive salaries and enhancing its telework policy, both of which are important to employees. To this end, the FY 2023 Budget allocates \$820 million for salary enhancements.

That being said, the sustainability of any FMLI Program needs to be carefully evaluated and examined by an actuarial analysis, which is the charge of the Commission. Further, there is sufficient evidence from the experience of other states' that there are implementation and solvency challenges with FMLI programs that need to be avoided.

DBM cautions against any rush to implementation without a thorough analysis and before Program details are determined. Imposing a **new billion dollar statewide wage tax** on Maryland employers and employees is significant during a normal economy. Imposing a wage tax during a period of critical workforce shortages, record inflation, and a global health pandemic, as well as the uncertainty associated with a war in Ukraine and a newly-elected Administration is risky and deserves the scrutiny that a Commission can provide.

45 Calvert Street · Annapolis, MD 21401-1907

Tel: 410-260-7041 · Fax: 410-974-2585 · Toll Free: 1-800-705-3493 · TTY Users: Call via Maryland Relay

<http://dbm.maryland.gov>

Current Paid Leave for State Employees

- *Annual Leave* - 10 to 25 days annually, dependent upon seniority. Leave can carry over from year to year up to a maximum of 75 days. Can be used for any purpose.
- *Personal Leave* - 6 days annually (7 during a Leap Year). Can be used for any purpose.
- *Compensatory Leave* - earned by employees who do not receive overtime payments. Can be used for any purpose.
- *Sick Leave* - 15 days annually. Can be used for an illness/disability or medical appointment of the employee or a member of the employee's immediate family. Leave can carry over from year to year with no limit.
- *Parental Leave* - Up to 60 days of leave to care for a newborn child, but must first exhaust available annual or personal leave. State employees who are jointly responsible for the child may each be eligible for the 60 days of leave.
- *COVID Leave* - 10 days annually.
- *Leave Bank* - State employees may donate annual, personal and/or sick leave to other employees who have a serious and prolonged medical condition and who have exhausted all their leave.
- *Leave Donation Program* - State employees may donate annual, personal and/or sick leave to other employees who have a serious and prolonged medical condition and who have exhausted all of their leave.
- *Accident Leave & Temporary Total Disability (TTD)* - Paid leave granted to an employee as a result of a work-related accident. The leave is paid at $\frac{2}{3}$ the employee's normal pay. Accident leave may be extended up to a year, after which the employee may continue to be paid $\frac{2}{3}$ under TTD.
- *Holiday Leave* - 12 holidays annually (13 during an election year).

**For additional information, contact Barbara Wilkins at
(410) 260-6371 or barbara.wilkins1@maryland.gov**

HB0496 - HR - Family and Medical Leave Insurance P

Uploaded by: Patricia Westervelt

Position: INFO

March 29, 2022

The Honorable Delores G. Kelley
Chair, Senate Finance Committee
3 East Miller Senate Office Building
Annapolis, Maryland 21401

Re: Letter of Information – House Bill 496 – Labor and Employment – Family and Medical Leave Insurance Program – Establishment

Dear Chair Kelley and Committee Members:

The Maryland Department of Transportation (MDOT) takes no position on House Bill 496 but offers the following information for the Committee’s consideration.

Currently, MDOT offers a variety of leave options that employees can use if there is a “qualifying exigency” or a “serious health condition.” MDOT complies with the FMLA, which entitles employees to twelve (12) weeks of paid or unpaid leave each year if certain conditions are met. MDOT employees also receive on an annual basis a minimum of seven (7) days of personal leave, ten (10) days of annual leave, fifteen (15) days of sick leave, and twelve (12) holidays. In addition, employees have access to parental leave, COVID-19 leave, pandemic event leave, compensatory leave, work injury leave, advanced sick leave, employee-to-employee leave donation, and leave bank in addition to the protections afforded by the federal Family and Medical Leave Act (FMLA). Due to these existing options, the majority of MDOT employees will rarely have an opportunity to utilize the new Family and Medical Leave Insurance Program, despite their requirement to contribute to the Program. Because House Bill 496 introduces the concept of an additional mandatory monetary deduction from employees’ paychecks, it could impact the State’s ability to recruit and retain qualified individuals. While it cannot be quantified, it is anticipated that there will be a significant fiscal impact on the Department and its employees. Further, with limited exceptions, the current MDOT leave provisions provide full compensation, whereas the proposed program is likely prorated based on a percentage of the employee’s average weekly wage. As MDOT works closely with its employees to guarantee leave is accessible and available when needed, there is concern that leave approval decisions would be made by an entity outside of the employee’s place of employment.

The above concerns could be alleviated if the program is optional for public employers, including the State and its independent personnel systems. The State of New York implemented a similar program in 2016 and allows public employers the ability to opt-in at any time.

The Maryland Department of Transportation respectfully requests the Committee consider this information when deliberating House Bill 496.

Respectfully Submitted,

Pilar Helm
Director of Government Affairs
Maryland Department of Transportation
410-865-1090