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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