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February 15, 2022

Delegate C. T. Wilson, Chair House Economic Matters Committee Room 231, House Office Building Annapolis, Maryland 21401

RE: HB 496 – <u>UNFAVORABLE</u> – Labor and Employment – Family and Medical Leave Insurance Program – Establishment

Dear Chair Wilson and Members of the House Economic Matters Committee:

The Maryland Asphalt Association (MAA) is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. We proactively work with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

House Bill 496 establishes the Family and Medical Leave Insurance Program and Fund to provide up to 12 weeks of leave due to specified personal and family circumstances. The bill requires employers and employees alike to pay into the Fund, split 50/50 between the employer and the employee, based on a total rate of contribution set by the Secretary of Labor. There is no opt-out with this legislation; every employer who employs fifteen or more persons must participate, as well as every employee. We are extremely concerned with the financial impact this puts on our companies as well as our employees, particularly our small businesses. The effects of COVID-19 continue to be devastating to everyone. Throughout the past two years, our members have made every effort to ensure employees have the ability to take time off of work when a medical issue arises either for themselves or their family. We do not think a mandate requiring everyone to pay into such a Fund is either fair or sensible.

We appreciate you taking the time to address this important issue and we respectfully urge an unfavorable report on House Bill 496.

Thank you,

Marshall Klinefelter

President

Maryland Asphalt Association