

February 15, 2022

Testimony on House Bill 496
Labor and Employment - Family and Medical Leave Insurance Program – Establishment
House Economic Matters Committee

Position: Favorable

Maryland Nonprofits is a statewide association of more than 1300 nonprofit organizations and institutions. We strongly urge you to support House Bill 496, but at the same time we must press for assistance to address the current workforce crisis impacting health and social services providers.

Under this legislation, 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.

The weekly benefit level is calculated based on the employee's weekly wage and the State's average weekly wage. In general, the amount received by low-income employees reflects a higher percentage of their total wages. Wage replacement benefits are drawn from a fund pool into which employers and employees contribute. Contributions are mandatory and are calculated based on the employee's wages.

Millions of Americans aren't able to be there to comfort a dying parent, to care for a newborn child during those fragile first weeks, to help a family member injured in an accident, or even to care for themselves during an unexpected illness. Twenty-five percent of American women, for example, take 10 or fewer days of parental leave. This puts them and their children at risk physically and emotionally.

We urge you to support House Bill 496 and give it a favorable report.

While this proposal does create an incentive to join or remain in the workforce, nonprofit service providers are facing unprecedented vacancy levels and staffing shortages as a result of the pandemic and salary levels held at uncompetitive levels by inadequate government funding and reimbursement policies. Many have already been forced to limit their services and over-stress existing staff, and they would be hard-pressed to replace additional staff on leave.

This dilemma cannot be resolved in the pending legislation, but action must be taken to provide adequate funding for these services through contract or rate-setting reforms. The state is in the most favorable fiscal situation in recent memory – if not now, when?