



**Montgomery County Community Action Board Testimony in Support of HB988
Family and Medical Leave Insurance Program – Modifications
March 7, 2023
SUPPORT**

TO: The Honorable C.T. Wilson, Chair; The Honorable Brian Crosby, Vice Chair; and Members of the Economic Matters Committee
FROM: Dr. Jeffery Johnson, Chair, Montgomery County Community Action Board

The Montgomery County Community Action Board (CAB), the County's local, state, and federally designated anti-poverty group, is in full support of HB988 and asks the Committee for a favorable report. Expanding paid leave programs has been a longstanding priority for our board. The CAB's advocacy has included supporting County Council Bill 60-14: Human Rights and Civil Liberties - Earned Sick and Safe Leave and County Council Bill 10-22: Personnel and Human Resources – Paid Parental Leave, along with the Time to Care Act over several years until its passage in the last legislative session. HB988 is an important step forward as it modifies the Family and Medical Leave Insurance (FAMLI) Program by specifying various aspects of programmatic implementation, administration, and the cost-sharing split.

As advocates for lower-income residents, our board recognizes that paid leave is a critical tool to provide added support to Marylanders struggling to make ends meet. FAMLI programs - like California's program - have decreased poverty among mothers with one-year-olds, which ultimately reduces budgetary expenditures in other state-funded safety net programming.¹ Reducing the number of families living in or near poverty increases the economic security of all Marylanders. Furthermore, paid leave helps workers maintain employment and move towards the Self-Sufficiency Standard. According to the Maryland Community Action Partnership's most recent report, the Montgomery County Self-Sufficiency Standard for a household with two working adults, one preschooler, and one school-age child is now \$122,943, over four times the federal poverty level.² Added supports for individuals and families, including access to paid leave, are desperately needed now more than ever.

¹ Alexandra Boyle Stanczyk, Does Paid Family Leave Improve Household Economic Security Following a Birth? Evidence from California, Social Service Review 93, no. 2 (June 2019): 262-304. <https://www.journals.uchicago.edu/doi/abs/10.1086/703138>

² <https://maryland-cap.org/the-maryland-2023-self-sufficiency-standard-calculator/>

HB 988 is important because it sets the contribution rate for the program with a cost-sharing split of 50% employees, 50% employers. This is significant, as it keeps the program affordable and equitable for both employers and employees in Maryland. A 50/50 cost-sharing split is in line with most other states - including our neighboring state of Delaware - that have recently passed FAMLl programs. Maryland passed one of the strongest and most comprehensive FAMLl programs in the country and establishing a 50/50 cost-sharing split is of the utmost importance to ensure our program centers the needs of both employees and employers, continuing to set the bar as a national model.

We ask for the Committee's favorable report and encourage the Committee to explore other opportunities to expand paid leave and other work supports in Maryland.