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March 7, 2023

Delegate CT Wilson, Chair Economic Matters Committee 231 House Office Building Annapolis, MD 21401

RE: House Bill 988 – <u>UNFAVORABLE</u> – Family and Medical Leave Insurance Programs – Modifications

Dear Chair Wilson and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 consulting engineer firms and 41 other associate members. MAA works proactively 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 988 would alter provisions in the Family and Medical Leave Insurance Program by expanding the individuals covered under the Family and Medical Leave Insurance Program. Meaning that employers would be responsible for finding replacements for an even greater amount of people. It also sets the rate employers must pay into the fund at 25% of the total rate of contribution **per** each covered employee. This is an extremely high rate for employers to pay, especially considering they will have to hire and pay temporary employees until the original employee returns to working capacity. Combing these two new provisions together enhances the financial significance of this bill.

The Family and Medical Leave Insurance Program already casts a heavy financial burden on employers. This bill only escalates that negative impact. We strongly feel that our small businesses already bear much of the burden in the state of Maryland to justify adding this cost. Throughout the past few years, our members have made it their priority to give their employees time off work for family and medical situations, but mandating that time be given off, while also forcing the employers to pay into a fund at such a high rate is neither fair nor sensible.

We appreciate you taking the time to consider our request for an UNFAVORABLE report on House Bill 988.

Sincerely,

Marshall Klinefelter

President

Maryland Asphalt Association