



# MARYLAND STATE & D.C. AFL-CIO

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## **HB 988 - Family and Medical Leave Insurance Program - Modifications House Economic Matters Committee March 7, 2023**

### **SUPPORT WITH AMENDMENTS**

**Donna S. Edwards**

**President**

**Maryland State and DC AFL-CIO**

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 988 with amendments. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

Maryland's family and medical leave insurance program will grant hundreds of thousands of Maryland workers the ability to take care of themselves and their families. It removes additional stress on workers who are already dealing with a family emergency. Only 25 percent of the American workforce has paid family leave through their employers, leaving nearly 3 in 4 workers left to make the heart wrenching decision to either take care of their family in an emergency or continue to be paid.<sup>1</sup> It is a far too common – and cruel – situation to be placed in.

Unfortunately, Maryland's system needs more time to be set up fully. HB 988 and companion legislation in the Senate, seek to tweak the existing programs. Maryland's family and medical leave program allows employers to opt-out of the state plan if they provide private plans with greater benefits. Currently the law only requires the employers to file their plan details with the Department of Labor for approval. There are no guidelines on how the Department is supposed to address whether benefit levels, duration, eligibility, employee costs, or timeliness meet state standards. There are also no requirements around ongoing oversight of private plans after they are approved by the Department. The Department is best suited to oversee private plans since it is free from the economic incentive to reject eligible applications for paid family and medical leave. We also strongly support changing the employer-employee cost sharing to 50-50, instead of the current system's 75% worker payment and 25% employer payment.

We urge the committee to issue a favorable report with our proposed amendments listed on the following page.

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<sup>1</sup> National Partnership for Women and Families, "Economic Justice: Paid Leave."

## **Amendment 1**

*Change Page 21, Line 9 to read:*

*“(b) A private employer plan shall be filed with the Department for approval. The Department must consider the private plan’s: benefit levels, eligible purposes for leave, duration of leave, eligibility, cost to employees, timeliness of benefits, equal rights and protections, appeals processes, notice requirements, and standards for approving or denying claims before approving the private plan.*

## **Amendment 2**

*Change Page 8, Line 24 to read:*

*“Program and all private employer plans during the immediate preceding fiscal year.”*

*Note: This applies program report data to private plans as well as the public plan.*