

Legislative Position: Oppose
House Bill 988
Family Medical Leave Insurance Programs – Modifications
Economic Matters Committee

March 2, 2023

Dear Chair Wilson and Members of the Committee:

On behalf of the Washington County Chamber of Commerce, with 650 member organizations representing over 40,000 employees, I am writing you in **OPPOSITION** of **House Bill 988**, **Family Medical Leave Insurance Programs** – **Modifications**. We have a number of concerns, but the top three are:

- 1. The notification periods are entirely too long, allowing an employee to potentially be out the entire time of the benefit without knowing if the benefit is approved or not.
- 2. The concurrence language needs to be tightened so that employers MAY require an employee to use this benefit concurrently with other employer sponsored leave if the employer wants them too.
- 3. The entire program needs to be delayed to allow DOL time to prepare to administer the program and to allow all the impacted parties to work out the many administrative issues in the bill.

Governor Moore promised to "leave no one behind" during his time in office. We hope the business community is not "left behind" when addressing our concerns with HB 988. Recommended solutions:

1. The employer should be notified by the employee before beginning an application.

The employer should be the original adjudicator, which mirrors FMLA. The employee is not currently required to notify their employer they are filing an application for leave, unless the leave is foreseeable.

2. The concurrence language should be left to the employer's discretion.

- a. Employers should have the right to decide if their employees should exhaust their employer sponsored leave concurrently with the 12-week paid leave benefit. The new language precludes this and only allows for an employee option to take the leave concurrently.
- b. Under 8.3-702. (c) (1), strike "not" after "may" to provide employers more discretion.
- c. The current language is confusing and could cause a lot of overpayments and needed reconciliation to employees. Employees will likely see this language as stacking.

3. The implementation date is too soon for employers and the Maryland Department of Labor.

Employer contributions would begin only three months later than originally planned. The entire program should be delayed so more time can go into fleshing out a well thought-out and discussed state program. This includes education to businesses and hiring and training staff to administer the complex program. Mostly importantly, businesses should know how much this is going to cost them before they begin making payments. It needs to work for MDDOL so it works for employers and employees.

On behalf of the Washington County Chamber of Commerce, and the continued economic health of Hagerstown, Maryland, Washington County, and the State of Maryland, we respectfully request an <u>UNFAVORABLE REPORT</u> on **HB 988**.

Sincerely,

Paul Frey, IOM

President and CEO