



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

March 12, 2025

Committee: House Appropriations Committee

Bill: HB 1503 - State Personnel - Paid Family and Medical Leave

Position: Favorable with Amendments

Reason for Position:

The Maryland Municipal League (MML) respectfully supports House Bill 1503 with amendments. While the bill as introduced alters provisions of the Family and Medical Leave Insurance (FAMLI) program for certain State employees, our proposed amendments target aspects of the FAMLI program that impact local governments.

MML and its member cities and towns worked in collaboration with the Department of Labor (DoL) throughout the legislative and regulatory processes as the FAMLI framework was crafted. In light of DoL's announcement seeking an 18-month delay in the implementation of the FAMLI program, MML proposes several amendments to the FAMLI program that would address an issue that arose during the regulatory process. The amendments would provide clarity to the new timeline and for those local government that seek to utilize an equivalent private insurance plan (EPIP) to comply with FAMLI requirements for employers.

MML proposed amendments:

1. Alter the implementation dates in the law to align with DoL's proposed 18-month delay. Most significantly, this would move the start of contributions to the State Fund to January 1, 2027 and the beginning of benefits to January 1, 2028.
2. With these dates in mind, for a governmental unit that submits an application to DoL to use an EPIP by January 1, 2026, DoL shall provide formal approval or denial by March 1, 2026. This is critical as local governments are bound by a State-mandated fiscal year start date of July 1, and certainty on EPIP approval or denial will materially impact local government budget preparation for FY 27.
3. Employers that receive DoL approval for an EPIP shall not be required to hold payroll contributions until the commencement of benefits; proposed as January 1, 2028.

MML, on behalf of 161 local government members and their 24,000 employees, supports the above amendments to ensure the FAMLI program is ready to serve Maryland's workers and to allow municipal governments to adequately comply with the FAMLI requirements. For these reasons, MML respectfully requests a favorable report on House Bill 1503, with the amendments described above. Thank you and for more information, please contact Bill Jorch, Director, Public Policy and Research at billj@mdmunicipal.org.