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House Bill 1503 State Personnel - Paid Family and Medical Leave

Statement of Support

DATE: March 12th, 2025

COMMITTEE: Appropriations

Good afternoon, Chair Barnes and Members of the Committee.

My name is Helene Grady, and I serve as Secretary of the Department of Budget and Management. Here with me is Neal Desai, Chief HR Officer; Dana Phillips, DBM's Director, Legislative and Intergovernmental Relations; and Danielle Miller, Assistant Attorney General assigned to DBM.

Thank you, Chair Barnes, for sponsoring this legislation.

As you know, Maryland is preparing to launch the Family and Medical Insurance or FAMLI program, which provides workers with paid leave to care for themselves or a family member.

Under the current law, employers in the State of Maryland, including the State government, are required to begin providing FAMLI leave benefits to employees on July 1, 2026.

With this date in mind, DBM began preparing for the implementation of the leave program for Executive Branch State employees this past fall. In particular, the Administration engaged in bargaining with each of the labor unions to reach an agreement on the benefits of the leave program.

This bill, HB1503, is the outcome of the negotiations and the State's leave proposal for Paid Family and Medical Leave that not only complies with but exceeds the requirements of Maryland's Family and Medical Insurance program.

Under this bill, all State employees in the Executive Branch, including temporary employees, are eligible for Paid Family and Medical Leave as of July 1, 2026, at the employee's regular rate of pay. Unlike the Family and Medical Insurance program, State employees will not have to make contributions from their pay. Further, State employees will be eligible for leave benefits as of July 1, 2026 or their first day of employment. There is no eligibility criteria based on previous hours worked.

The State's proposed Paid Family and Medical Leave mirrors the Family and Medical Insurance program with regard to the reasons an employee can take leave, such as welcoming a new child, caring for their own or a family member's serious health condition, or making arrangements for a family member's military deployment, as well as the job protections that are provided to an employee who takes the leave. The State's Paid Family and Medical Leave, like the Family and Medical Insurance leave, will run concurrent with an employee's eligibility under the federal Family and Medical Leave Act (FMLA).

Finally, this bill repeals the State Personnel and Pensions provisions related to parental leave for the simple reason that the proposed Family and Medical Leave program will allow employees to receive the same amount of paid leave without having to exhaust all of their accumulated personal and annual leave before accessing leave benefits.

In addition to complying with the requirement of the Family and Medical Insurance program, DBM believes this proposed Paid Family and Medical Leave will be a valuable tool for attracting and retaining employees with the State government.

Thank you for your time and consideration. My team and I are happy to answer any questions.

For additional information, contact Dana Phillips at (410) 260-6068 or dana.phillips@maryland.gov