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 FamilyValuesAtWork
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TESTIMONY IN OPPOSITION TO SB 355
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – DELAY OF IMPLEMENTATION
Senate Finance Committee
February 5, 2025

Submitted by Family Values @ Work

Chairperson and Members of the Senate Finance Committee,

Family Values @ Work, a national network of coalitions advocating for paid leave in 27 states, including Maryland, submits this testimony in strong opposition to SB 355. As a national leader in the fight for paid family and medical leave, we recognize that delaying the implementation of Maryland's Family and Medical Leave Insurance (FAMLI) program would harm not only Maryland families but also the broader national movement for equitable workplace policies. As a Maryland resident, I also ask that you implement FAMLI on the current timeline.

The passage of the Time to Care Act in 2022 was a landmark achievement for Maryland, positioning the state as a leader in paid leave policy. However, SB 355 threatens to unravel that progress by postponing the start of contribution collection to July 1, 2027, and benefit claims to July 1, 2028. This delay will have devastating consequences for workers and families who have been counting on these benefits to balance their responsibilities at work and home.

A National Crisis Requires Urgent Implementation

The need for paid leave has never been more urgent. Across the country, millions of workers are forced to make impossible choices between their health and their livelihood. Research has shown that access to paid family and medical leave reduces financial hardship, improves health outcomes, and fosters economic stability. The Urban Institute has found that implementing paid leave programs can significantly reduce poverty, particularly among low-wage workers and communities of color. Maryland should accelerate—not delay—this vital program.

Economic and Public Health Consequences of Delay

Delaying the FAMLI program will have profound economic and public health repercussions. According to actuarial studies commissioned by the Maryland Department of Labor, the program is expected to receive over 165,000 claims in its first year alone. A two-year delay means that more than 324,000 Marylanders will be left without support when they need it most.



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Furthermore, paid leave is an essential tool for boosting workforce participation, particularly among women and caregivers. States that have implemented robust paid leave policies have seen increased workforce retention, higher earnings for workers, and reduced reliance on public assistance programs. Maryland's small businesses also stand to benefit, with projections showing that FAMILI will provide an estimated \$98 million tax benefit to small business owners.

Maryland Risks Falling Behind

At the national level, Maryland was once a model for paid leave progress. However, states like Delaware, Minnesota, and Maine—which passed their paid leave programs after Maryland—are now on track to implement their programs sooner. If SB 355 passes, Maryland risks losing its leadership role in the national paid leave movement, leaving its workers at a disadvantage compared to those in neighboring states.

Commitment to Timely Implementation

Since the passage of the Time to Care Act, implementation has already been delayed twice to allow for administrative preparation. Family Values @ Work and our coalition partners supported these necessary adjustments to ensure the successful rollout of the program. However, further delays are unnecessary and unacceptable. Marylanders have waited long enough for paid leave; it is time to fulfill the promise of the FAMILI program without additional setbacks.

Conclusion

Delaying the FAMILI program is not just a Maryland issue but a setback for the national paid leave movement. At Family Values @ Work, we have seen firsthand how timely and equitable implementation of paid leave policies transforms lives and strengthens communities. Maryland has the opportunity to lead the way in building an economy that values caregiving and ensures no worker has to choose between their job and their health.

We urge you to reject SB 355 and uphold Maryland's commitment to supporting its workers, families, and businesses.

Thank you for your time and consideration.

For more information, please contact:

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