

February 3, 2025

The Honorable Senator Pamela Beidle Chair, Senate Finance Committee 11 Bladen Street Annapolis, Maryland 21401

TESTIMONY IN OPPOSITION OF SB 355

[STANCE: UNFAVORABLE]

The National Partnership for Women & Families appreciates the opportunity to submit testimony in opposition of SB 355. This bill would delay the implementation of Maryland's Family and Medical Leave Insurance ("FAMLI") Act and leave Marylanders without paid family and medical leave benefits for an additional two years. Doing so would leave thousands of working families without critical support to provide the care their families need and hurt Maryland's economy.

The National Partnership is a nonprofit, nonpartisan advocacy group that has more than 50 years of experience in combatting barriers to opportunity for women workers, such as sexual harassment and other forms of sex discrimination and gender-based violence. The National Partnership works for a just and equitable society in which all women and families can live with dignity, respect, and security; every person has a fair chance to achieve their potential; and no person is held back by discrimination or bias. Through our legal and research support, we have worked tirelessly alongside partners to advocate for paid family and medical leave for all workers.

At some point, nearly everyone will need to take time away from work to deal with a serious personal or family illness, or to care for a new child. Most working people in the United States – 73 percent, or 106 million people nationwide – do not have paid family leave through their jobs. Without the ability to receive income, many workers must forgo taking leave or put their economic stability in jeopardy in order to care for a family member, a new child or their own health. The Urban Institute found that Maryland's FAMLI program has the potential to reduce the poverty rate

¹ National Partnership for Women & Families. (2025, January). *Paid Leave Means a Stronger Nation*. Retrieved 3 February 2024, from https://nationalpartnership.org/report/paid-leave-means-map/

by 22% among families receiving benefits.² Because these families will not need to access other state-funded programs, the state is expected to spend \$28 million less on safety-net programs. Maryland's FAMLI Act offers more than paid family and medical leave, the program provides economic security and stability.

Paid Family and Medical leave is essential to healthy families and communities and a two-year delay would greatly hurt the 79 percent of all Maryland households with children – with parents who report to work, and about 68,800 children that are born in Maryland each year.³ The lack of access to paid family and medical leave is a leading reason women leave the workforce; and Maryland already struggles with declining Labor Participation Rates (LPR) for women.⁴ Paid leave helps improve health outcomes and helps working people remain economically secure and connected to their jobs.⁵ Maintaining the current FAMLI implementation timeline benefits families, businesses, and Maryland's economy.

Access to paid parental leave also encourages fathers to use leave for bonding and caregiving. And when fathers take leave after a child's birth, they are more likely to be involved in the direct care of their children long term. More than 80 percent of men believe that men and women should share care responsibilities equally, but men only make up about 40 percent of caregivers for disabled and older adults. Men want to participate more in caregiving, but unsupportive policies and stigma hold them back. Maryland's FAMLI program would allow fathers to care equally for their loved ones and care for themselves.

Paid Family and Medical Leave is also good for businesses and making Marylanders wait hurts Maryland's economy and small businesses. With paid leave, businesses stand to benefit from a more stable, productive workforce. Benefits

NATIONAL PARTNERSHIP FOR WOMEN & FAMILIES | 2

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² Urban Institute. (2024, September). *Impact of Paid Family and Medical Leave in Maryland: an Analysis of the Maryland Family and Medical Leave Insurance Act*. Retrieved 3 February 2025, from https://www.dol.gov/sites/dolgov/files/WB/pdf/ImpactPFMLMaryland.pdf

³ National Partnership for Women & Families. (2025, January). *Paid Leave Means a Stronger Maryland*. Retrieved 3 February 2024, from https://nationalpartnership.org/wp-content/uploads/2023/04/paid-leave-means-a-stronger-maryland.pdf

⁴ Bipartisan Policy Center. (2023, October). Women in the Workforce Need Family-Focused Policy. Retrieved 3 February 2025, from https://bipartisanpolicy.org/blog/women-in-the-workforce-need-family-focused-policy/

⁵ Appelbaum, E., & Milkman, R. (2013). Unfinished Business: Paid Family Leave in California and the Future of U.S. Work-Family Policy. Ithaca, NY: Cornell University Press; Setty, S., Skinner, C., & Wilson-Simmons, R. (2016, March). Protecting Workers, Nurturing Families: Building an Inclusive Family Leave Insurance Program, Findings and Recommendations from the New Jersey Parenting Project. National Center for Children in Poverty Publication. Retrieved 3 February 2025, from https://www.nccp.org/publication/protecting-workers-nurturing-families/; Klevens, J., Luo, F., Xu, L., et al. (2015, November 28). Paid family leave's effect on hospital admissions for pediatric abusive head trauma. Injury Prevention. Retrieved 3 February 2025, from https://injuryprevention.bmj.com/content/22/6/442

⁶ Nepomnyaschy, L., & Waldfogel, J. (2007). Paternity Leave and Fathers' Involvement with their Young Children: Evidence from the American Ecls–B. *Community, Work and Family*, 10(4), 427-453. ⁷ See note 3.

include: lower turnover costs through greater retention, higher productivity, and higher morale. Paid leave programs benefit small businesses in particular. Small businesses often have trouble matching the more generous leave benefits offered by larger employers – potentially resulting in a hiring disadvantage. When paid leave is administered through a public paid leave insurance program, it levels the playing field and helps small businesses compete for talent. Small employers benefit in particular because the cost of leave is shared. In fact, the Urban Institute study noted that FAMLI will provide a \$98 million tax benefit to small businesses, making the state an enticing place to start a business. A two-year delay would stifle growth and leave small businesses without the needed support to flourish.

As it stands, three states that passed paid leave legislation after Maryland – Delaware, Minnesota, and Maine – will fully implement their programs before Maryland does if SB 355 is passed. We urge the legislature not to move forward with SB 355. Delaying implementation will harm thousands of families and businesses in Maryland. Marylanders should be able to utilize the necessary time from their jobs to welcome a new child into their family, care for a seriously ill family member, or recover from their own serious health issue. If you have any questions regarding this testimony, please contact Brittany Williams, Economic Justice Policy Counsel at the National Partnership for Women & Families at bwilliams@nationalpartnership.org

Sincerely,

Brittany Williams

Economic Justice Policy Counsel

⁸ National Partnership for Women & Families. (2023, October). *Paid Family and Medical Leave Is Good for Business*. Retrieved 3 February 2025, from https://nationalpartnership.org/wp-content/uploads/2023/02/paid-leave-good-for-business.pdf

⁹ See note 2.

¹⁰ National Partnership for Women & Families. (2024, July). *State Paid Family & Medical Leave Insurance Laws*. Retrieved 3 February 2025, from https://nationalpartnership.org/wp-content/uploads/2023/02/state-paid-family-leave-laws.pdf