



MARYLAND SOCIETY OF ACCOUNTING AND TAX PROFESSIONALS

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Honorable Members of the Senate Finance Committee
Maryland General Assembly
11 Bladen Street Annapolis, MD 21401

RE: Senate Bill 355 - Family and Medical Leave Insurance Program - Delay of Implementation

Dear Chair and Members of the Committee:

The Maryland Society of Accounting and Tax Professionals, Inc. (MSATP) represents the voices of over 2,000 tax and accounting professional members. Our members, who are tax and accounting professionals, serve over 700,000 Maryland residents. We strongly support Senate Bill 355, which would provide a necessary two-year delay in implementing the Family and Medical Leave Insurance Program.

As tax and accounting professionals who work directly with businesses of all sizes, we have firsthand knowledge of the substantial administrative challenges our clients face in preparing for this new program. The current implementation timeline, with contributions beginning July 1, 2025, does not provide adequate time for businesses to properly integrate these requirements into their payroll systems, train staff, and establish necessary compliance procedures. Our members report that many clients, particularly small and medium-sized businesses, are still working to understand their obligations and financial responsibilities under the program.

The proposed two-year delay would allow for a more orderly and effective implementation process. This additional time would enable businesses to properly budget for their contributions, develop compliant payroll procedures, and train their administrative staff. Furthermore, the delay would provide the state with additional time to establish clear guidelines, develop necessary forms and procedures, and conduct comprehensive outreach to affected businesses and employees.

Our experience with similar programs in other states has shown that rushed implementations often lead to confusion, compliance issues, and unnecessary costs for both businesses and the state. The proposed delay would help avoid these pitfalls while ensuring the program's ultimate success. This measured approach would better serve both Maryland businesses and their employees by ensuring a well-planned and properly executed rollout of this important program.

For these reasons, MSATP strongly encourages a favorable report on Senate Bill 355. This legislation represents a practical approach to implementing this significant new program while ensuring its long-term success.

Respectfully submitted,

Giavante' Hawkins

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