SB0355 -- Family and Medical Leave Insurance Progr

Uploaded by: Brian Levine

Position: FAV

Senate Bill 355 -- *Family and Medical Leave Insurance Program - Delay of Implementation*
Senate Finance Committee
February 5, 2025
Support

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, supports Senate Bill 355 -- *Family and Medical Leave Insurance Program - Delay of Implementation*.

Senate Bill 355 alters, from July 1, 2025, to July 1, 2027, and from July 1, 2026, to July 1, 2028, the dates on which the payment of contributions and the submission of claims for benefits, respectively, are to begin under the Family and Medical Leave Insurance Program (FMLI).

MCCC advocates for postponing the implementation of FMLI to provide both employers and employees with additional time to adequately prepare for the program. It has become evident that such a significant change necessitates more time before full implementation.

Moreover, small businesses are increasingly facing challenges in the current environment. The potential for higher costs due to tax and fee increases, combined with the considerable uncertainty in the local economy stemming from the recent change in administration in Washington, D.C., underscores the need to delay new business requirements and the additional costs for employees mandated by FMLI.

For these reasons, the Montgomery County Chamber of Commerce supports Senate Bill 355 and respectfully requests a favorable report.

The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location. Established in 1959, MCCC is an independent, non-profit membership organization.

Brian Levine | Vice President of Government Affairs
Montgomery County Chamber of Commerce
51 Monroe Street | Suite 1800
Rockville, Maryland 20850
301-738-0015 | www.mcccmd.com

SB 0355 – Family and Medical Leave Insurance Progr
Uploaded by: Danna Blum
Position: FAV

Carroll County CHAMBER of Commerce

Date: January 28, 2025

Finance Committee
Senator Pamela Beidle
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Re: SB 0355 – Family and Medical Leave Insurance Program - Delay of Implementation– **Support**

Dear Senator Beidle:

SB 0355 would delay all implementation dates of the FAMLI Act for 2 years.

Given the failure to meet deadlines for determining contribution rates, etc., it seems prudent to delay the implementation of this Act.

The Carroll County Chamber of Commerce, a business advocacy organization of nearly 700 members, supports this bill. We therefore request that you give this bill a favorable report.

Sincerely,

Mike McMullin

Mike McMullin
President
Carroll County Chamber of Commerce

CC: Delegate Chris Tomlinson
Senator Justin Ready

SB0355_FAV_LifeSpan, MAADS, MNCHA_FAMLI - Delay of
Uploaded by: Danna Kauffman
Position: FAV

Managed by LifeSpan

Senate Finance Committee
February 5, 2025
Senate Bill 355 – *Family and Medical Leave Insurance Program – Delay of Implementation*
POSITION: SUPPORT

On behalf of the LifeSpan Network, the Maryland Association of Adult Day Services, and the Maryland-National Capital Homecare Association, we support Senate Bill 355. This bill delays the implementation of the Family and Medical Leave Insurance Program for both employers' and employees' contributions to the Fund and for employees taking leave under the Program.

While we appreciate the Maryland Department of Labor's efforts to educate employers on the Program's requirements, we remain concerned that employers, particularly those in health care, struggle with funding and continued workforce challenges. Our collective organizations care for the most vulnerable residents of Maryland and are required to meet certain regulatory requirements in providing care. Implementing a new leave program before workforce challenges have been addressed risks exacerbating these challenges and placing additional strain on operations. Delaying implementation by two years will give the Maryland Department of Labor extra time to staff the unit to ensure proper implementation and allow entities additional time to address funding and workforce challenges. For these reasons, we urge a favorable vote.

For more information:
Danna L. Kauffman
Andrew G. Vetter
Christine K. Krone
(410) 244-7000

Senate Bill 355 Final Testimony.pdf
Uploaded by: Giavante Hawkins
Position: FAV

MSATP
MARYLAND SOCIETY OF ACCOUNTING AND TAX PROFESSIONALS

10451 Mill Run Circle #625
Owings Mills, MD 21117

1-800-922-9672
410-876-5998

FAX 443-881-4146
www.msatp.org

January 21, 2025

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

Giavante' Hawkins
Maryland Society of Accounting and Tax Professionals

FAMLI Published Regs_MDCC_Comments (1) (1).pdf
Uploaded by: Grason Wiggins
Position: FAV

Via Electronic Mail

November 18, 2024

Maryland Department of Labor
Division of Family and Medical Leave Insurance
1100 N. Eutaw Street
Baltimore, MD 21201

Re: Comments regarding published FAMLI regulations

Dear Secretary Wu:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

We appreciate the opportunity to provide the below comments on behalf of our members. Keeping in mind the length of the draft regulations document, the complex nature of the FAMLI program, and the quick turnaround for public comment, the below comments are aimed at providing clarity and reduced administrative burden for Maryland's employers.

Chapter 01 General Provisions
.01

B. **(12)** The proposed regulations should be amended to require a covered employee to have worked a certain amount of time for the employer prior to being eligible for benefits. Amending the regulations to require a covered employee to meet a certain time threshold with an employer would comply with state law. Further, the change would protect employers from burdensome leave requirements at the start of the employment period.

   (43) This definition of wages does not address how severance pay is subject to the law. Are contributions taken from severance pay? Does severance pay count as wages toward an employee's benefit calculations and how would this pay be treated if a former employee signs a release?

Chapter 02 Contributions
.02

A. Creating a separate online account is a cumbersome requirement that has created significant issues in other jurisdictions like Delaware. Rather than forcing employers to open new accounts with the state, which requires new portals and authentication, the regulations should be amended to leverage existing employer data with the state.

.04

B. As drafted, this provision is so broad that it will undoubtedly raise legal questions regarding whether the work of employees from other states or independent contractors who travel into Maryland are covered by the law. The definition of employment varies across states and determining which test applies will create significant compliance issues. Additionally, the proposed regulations do not define the term "incidental," which means that employers will be left to make unilateral determinations on a case-by-case basis.

.06

A. The regulations should only count employees <u>within</u> the state. By counting employees outside of Maryland to determine whether an employer must make contributions, MDOL is creating financial disparity between employers based on employee location instead of programmatic impact. For example, an employer with 50 employees in another state but only a handful in Maryland has less impact on the FAMLI program than an employer with only 10 employees located solely in the state. However, that employer with 10 employees solely located in Maryland would not be required to contribute to the FAMLI program while the employer with only a few in Maryland would.

.07

A. As drafted, this provision holds an employer immediately and irrevocably liable for an act that could be a simple mistake. The proposed regulations should be amended to, at minimum, provide a cure period for the employer to rectify a mistake instead of rendering the employer liable and only providing an exception if the employer is unable to meet payroll requirements during the following six pay cycles.

.09

A. **(3)** While allowed for in statute, using audit authority to look for violations outside the scope of delinquent contribution violations is egregious. We urge MDOL to remove this as a form of penalty.

.10

B. In the case of contribution overpayments, multiple items of feedback should be considered:

1. The burden of contacting a former employee to return their contributions should lie with the state, not the employer. This is the standard procedure for other benefit programs such as unemployment insurance. Placing the burden on the employer creates a variety of other problems.

2. If the burden were to rest with the employer, a timeline for how long the employer must attempt to contact the former employee and by what methods needs to be specified. Further, if the former employee cannot be reached and the stated timeline has expired, those contributions should/would be considered unclaimed property and would likely need to be remitted to the Comptroller and could not simply be claimed by the FAMLI division. This process is standard in many other sections of state law.

Chapter 03 Equivalent-Private Insurance Plan

As a broad point, the Chamber would like to point out that the presented draft regulations do not contemplate any process for allowing/approving private plans which may be self-insured (benefits and claims paid directly by the employer) but administered by an outside third-party entity (an insurance company). This scenario is allowed for in most other states that have adopted FAMLI style programs, but these regulations appear silent on how those situations would be managed.

.03

B. As a point of clarity, does this section mean that an employer would have to pay benefits to an employee out of their plan if that employee became eligible for benefits under a previous state plan? The regulations do not lay out a right of reimbursement for an employer in these instances. If a new employee was eligible under a previous employer in the state plan, it should be made clear that they should file for benefits under the state plan, not the private employer plan.

.05

E. The EPIP application fee should be set at a flat rate for all applications. Differentiating between employer sizes and commercial versus self-insured styled plans is confusing and lacks policy rationale. Commercially available plans would have already been pre-approved by MIA as meeting the division's requirements, making these rubber stamp applications and employers seeking to self-insure shouldn't be penalized with a maximum application fee simply for pursuing the plan that best fits their needs. A flat application fee is standard in most other states, we strongly suggest Maryland adopt the same.

I. Without a change in EPIP administration protocols or plan benefits, requiring an annual application due 90 days before a current EPIP expires is an egregious burden. This requirement would seemingly have small businesses caught in a never-ending turnaround cycle of tracking and submitting applications and fees in a nonstop process. **An annual fee of $1,000 for a small business with a self-insured plan is an absolute non-starter for owning and operating a small business in Maryland.** The Maryland

Chamber suggests requiring a new EPIP application every three years unless there is a change in benefits or administrators/administration protocols.

J. **(f)** The burden of reporting the issuance of a replacement bond should only lie with the surety company. A double notice requirement is unnecessary. Further, the surety bond requirement, in addition to the high annual fees established in the proposed regulations, is both administratively and cost burdensome compared to other jurisdictions.

.08

B. In lieu of a one-time extension that the Department *may* extend upon request, we suggest adding a *definitive* cure period to this provision, like in other sections of the code, so that an employer does not have their EPIP terminated for something that can easily be remedied.

.09

B. This section states that an employer's EPIP enrollment may be terminated by the Division when the Division determines that terms or conditions of the plan have been "repeatedly or egregiously violated" in a manner that necessitates termination. Those terms must be defined as they are used as the trigger to terminate an employer's EPIP. Is "repeatedly" defined as more than once, or a three-strike rule? Does it apply to a failure to adhere to the same type of violation repeatedly or a series of violations instead? What type of violation would constitute an "egregious" violation (e.g., failure to pay benefits amounting to thousands of dollars, failure to make timely benefit determinations that exceed one week or 30 days, etc.)?

.10

A. **(d)** We encourage the division to make collecting contributions and holding them in escrow optional. This is commonly allowed for in other state FAMLI plans and it can be cumbersome for employers to return contributions to employees after the fact. In lieu of collecting and holding contributions in escrow, can the employer sign an agreement to pay the full amount of the backed contributions to the state plan if their EPIP is not approved?

Chapter 04 Claims

.04

A. This provision should be amended to clarify that an employee must complete the claim application prior to taking leave. As drafted, the proposed regulations may result in employees taking leave without notifying an employer due to the belief that an application can be filed after the leave is taken.

- **B.** **(7)(a)** The proposed regulations should be amended to provide employers with more than 5 business days to respond to notice of a submitted claim. Large employers with numerous managers across the state need additional time to relay and process information. Additionally, 09.42.04.08(a)(1)(e) of the proposed regulations would require employers to notify employees when the employer knows that an employee's leave or leave request may be eligible for FAMLI. Unless the proposed regulations are amended, the overly expedited response times and knowledge requirements found throughout the proposed regulations will create significant liability and compliance issues for employers and the Department.

.05

- **B.** **(2)(b)(i)** The regulations stipulate that, where an employee is taking FAMLI leave to care for a family member and the family member dies, the benefits continue for an additional 7 days – which effectively provides bereavement leave that is not one of the specified reasons for leave under the FAMLI law.

.07

- **A.** The draft regulations are silent on what information the employee must provide to establish that adequate notice has been given to the employer for intermittent leave. This must be addressed to avoid future issues.

  We recommend changing the 5-business day response time requirement to 10 days to accommodate situations where an employer's staff members assigned to this role may be out on approved leave. 5 business days is quite short and staff coverage and oversight might become a challenge.

.08

- **B.** **(2)(b)(ii)** This requirement should be flipped in that the burden should be placed on the employee to demonstrate that they gave the employer adequate notice of intent to take intermittent leave. Why would the employer be required to prove to the division that they did not receive adequate notice of an employee's intention to take intermittent leave?

  (2)(b) Unless the employer first notifies the FAMLI division, the proposed regulations appear to prohibit an employer from enforcing their absence policy when an employee fails to provide reasonable and practicable prior notice to the employer. This is an untenable requirement for employers that will waste time and resources in situations where an employee has failed to comply with the law. Further the proposed regulations provide no timeline or process for what actions must or may occur after notice is provided. Finally, the proposed regulations provide no deadline requirement for the FAMLI division to respond to an employer's notice, meaning that employers may be left with little or no ability to enforce attendance policies for prolonged periods of time in cases where an employee has willfully failed to comply with the law.

.10

A. **(1)** This provision should be amended to require the first payment at the next regularly occurring pay period since employers utilize varying pay cycles and many employers utilize payment in arrears models.

.11

A. The ability of employers to challenge fraudulent applications for benefits is quite limited. Pursuant to the proposed regulations, employers have 5 days in which to respond to an application. While the regulations do stipulate that an employer may provide relevant information after that 5-day period, if that information would result in a revocation of benefits, the employee is still entitled to the benefits already received. 09.42.04.11 clarifies that job and anti-retaliation protections do not apply once fraud is "proven," however, there is no clarification of what that standard means or timeline for how long that might be – meaning that an employer may be required to continue active employment for an employee that is knowingly engaging in fraud until the Division says otherwise.

While the draft regulations permit an employer to request additional information where an employee's use of intermittent leave is inconsistent with the leave approval, there is no provision for an employer to request additional information in response to an initial notice of the need for leave, which may be necessary to establish fraud. Moreover, the absence of dispute resolution and enforcement sections is troubling.

The Maryland Chamber of Commerce appreciates your consideration of these comments, and we look forward to working with the Department to ensure that the regulations are workable for employers. Should you have any questions or require additional information, please contact Grason Wiggins at gwiggins@mdchamber.org.

SB-355-MDCC-Family and Medical Leave Insurance Pro

Uploaded by: Grason Wiggins

Position: FAV

Senate Bill 355

Date: February 5, 2025
Committee: Senate Finance
Position: Favorable

Founded in 1968, the Maryland Chamber of Commerce (Maryland Chamber) is a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic growth and opportunity for all Marylanders.

Senate Bill 355 (SB 355) would delay the dates on which the payment of contributions and the submission of claims for benefits are to begin under the Paid Family and Medical Leave Insurance (FAMLI) program. As a result, SB 355 would provide the Maryland Department of Labor (MDoL) with additional time to ensure that the FAMLI program is adequately implemented.

The Maryland Chamber is concerned that MDoL has not had adequate time to prepare for implementation of the FAMLI program. In less than six months, employers will be required to begin making financial contributions to the FAMLI program, and employees will begin to see payments deducted from their paychecks, but regulations for the program have not yet been fully finalized. For example, MDoL is currently moving proposed regulations through the AELR process, and public comments regarding the critical dispute resolution process for the program are due on February 10th.

In November 2024, the Maryland Chamber offered public comments on another section of the FAMLI regulations that were generated through good faith feedback from business and HR professionals who will be required to regularly comply with the FAMLI program. **The Maryland Chamber's public comments in response to MDoL's proposed FAMLI regulations are attached to this letter.** The comments included, but are not limited to, good faith issues concerning:

- Clarification regarding whether contributions should be taken from severance pay.
- A determination of whether an out of state employee's work in Maryland is covered by the FAMLI program.
- MDoL's decision to place immediate and irrevocable liability on employers who mistakenly utilize the incorrect contribution rate.
- A process for allowing or approving private plans which may be self-insured (benefits and claims paid directly by the employer) but administered by an outside third-party entity (an insurance company).

The Maryland Chamber is concerned that implementation of the FAMLI program is being rushed to meet current statutory deadlines and that Maryland's employers and employees will suffer as a result. With an imminent deadline for payments to begin and many questions yet to be answered, the Maryland Chamber of Commerce respectfully requests a **Favorable Report** on **SB 355** to provide MDoL with additional time to prepare for implementation of the FAMLI program.

SB 355 testimony.pdf
Uploaded by: Kirk McCauley
Position: FAV

WMDA/CAR Service Station
and Automotive Repair Association

Chair: Pamela Beidle, Vice Chair Hays, and members of Finance Committee

RE: SB 355

Position: Favorable

My name is Kirk McCauley, my employer is WMDA/CAR, we represent service stations convenience stores and repair facilities across the state as a non- profit trade group.

This bill makes sense, with small business, state government, counties, and municipalities, all are looking at mandated costs of Family and Medical Leave Insurance plans at a time when deficits will hit record highs.

These costs significantly increase expenses for business and government.

Give SB355 a favorable vote.

Any questions can be addressed to Kirk McCauley, 301-775-0221 or
kmccauley@wmda.net

SB355 - Support - Maryland Motor Truck Association

Uploaded by: Louis Campion

Position: FAV

Maryland Motor Truck Association

HEARING DATE: February 5, 2025

BILL NO/TITLE: SB355: Family and Medical Leave Insurance Program - Delay of Implementation

COMMITTEE: Senate Finance

POSITION: **Support**

Maryland Motor Truck Association (MMTA) is a non-profit trade association with nearly 1,000 member companies who offer for-hire trucking services and who use private fleets to deliver goods. Our members include owner operators, small to mid-size fleets, and national companies. About 91% of our members are small business owners with six trucks or fewer.

For the last two years, the trucking industry has been in a freight recession highlighted by reduced rates for services and rising inflationary pressures. While the establishment of family and medical leave insurance is well intentioned, MMTA is very concerned about the cost and administrative burden it will place on both employers and employees. In our industry we have seen massive increases for insurance, tires, labor, and equipment. The implementation of FMLI at this time will not only hurt employers dealing with rising prices and a slow demand for services, but also the many employees who will never have a need to take such time off by subjecting them to the new tax with no ability to opt out.

MMTA urges passage of SB355 and delaying the implementation of Maryland's FMLI program.

About Maryland Motor Truck Association: Maryland Motor Truck Association is a non-profit trade association that has represented the trucking industry since 1935. In service to its 1,000 members, MMTA is committed to support, advocate and educate for a safe, efficient and profitable trucking industry in Maryland.

For further information, contact: Louis Campion, (c) 443-623-5663

sb355test - FMLA Program - Delay of Implementatio
Uploaded by: Marcus Jackson
Position: FAV

Associated Builders and Contractors, Inc.
Maryland Joint Legislative Committee

The Voice of Merit Construction

Mike Henderson
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FEBRUARY 5, 2025

TO: FINANCE COMMITTEE

FROM: ASSOCIATED BUILDERS AND CONTRACTORS

RE: S.B. 355 – FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – DELAY OF IMPLEMENTATION

POSITION: FAVORABLE

The Associated Builders and Contractors (ABC) supports S.B. 355 which is before you today for consideration. This bill will shift the start dates for contributions and benefit claims by two years. We believe that this is a prudent measure that will allow for more thorough preparation and ensure the program's long-term success.

While we strongly support the concept of a Family and Medical Leave Insurance Program for Maryland, it is crucial that its implementation be carefully managed to avoid potential pitfalls and ensure its sustainability. A two-year delay will provide necessary time to refine program logistics, assess economic conditions, and engage stakeholders.

Implementing a statewide program of this magnitude requires meticulous planning and coordination. The additional time will allow the state to thoroughly test systems, address any unforeseen challenges, and ensure a smooth and efficient rollout for both employers and employees.

The proposed delay will allow for a more accurate assessment of the state's economic climate and its potential impact on the program's funding. This will enable the Secretary to set contribution rates that are both sustainable and equitable, minimizing the burden on businesses while ensuring adequate funding for benefits.

The extra time will provide an opportunity for further engagement with businesses, employees, and other stakeholders to address any outstanding concerns and build consensus around the program's implementation. This collaborative approach will contribute to a more successful and widely accepted program.

A well-designed and effectively implemented Family and Medical Leave Insurance Program will be a tremendous benefit to Maryland families and businesses.

The proposed delay will help ensure that the program is launched successfully and achieves its intended goal of providing crucial support to workers while minimizing disruption to employers.

On behalf of the over 1,500 ABC members in Maryland, we respectfully request a favorable report on S.B. 355.

Marcus Jackson, Director of
Government Affairs

We Build Maryland
A Conversation Between
Elected Officials, Contractors & Their Employees

SB355_RestaurantAssoc_Thompson_FAV.pdf
Uploaded by: Melvin Thompson
Position: FAV

Restaurant Association of Maryland

Senate Bill 355

Family and Medical Leave Insurance Program - Delay of Implementation

February 5, 2025

Position: **SUPPORT**

Madame Chair and Members of the Senate Finance Committee:

The *Restaurant Association of Maryland* strongly supports Senate Bill 355, which would delay the implementation of Maryland's new Family and Medical Leave Insurance Program (FAMLI).

Given the many challenges facing the restaurant/foodservice industry, the FAMLI payroll deductions scheduled to begin on July 1, 2025 would be bad timing for our businesses that are struggling to stay afloat.

On top of inflation and soaring food costs, the restaurant/foodservice industry is grappling with an acute labor shortage. And industry labor costs have increased 31 percent since 2019. Additional labor costs would only exacerbate the problems.

Many restaurants are experiencing lackluster sales and are still trying to pay off debts incurred during the COVID pandemic. Due to lifestyle changes and remote work policies for many office employees, customer volume has not returned to pre-pandemic levels. And families have less disposable income to spend eating out. With razor-thin profit margins and flat sales, it is becoming increasingly difficult for many restaurants to survive. A recent *Baltimore Sun* article reported multiple restaurant closures in Baltimore's Fells Point this month alone.

For these and other reasons, the implementation of FAMLI should be paused for two years in hopes that the business climate and economy will improve by then. We respectfully request a favorable report for Senate Bill 355.

Sincerely,

Melvin R. Thompson
Senior Vice President
Government Affairs and Public Policy

SB 355 - Family and Medical Leave Insurance Progra

Uploaded by: Nia Callender

Position: FAV

PSSAM
Public School Superintendents' Association
OF MARYLAND

Mary Pat Fannon, Executive Director
1217 S. Potomac Street
Baltimore, MD 21224
410-935-7281
marypat.fannon@pssam.org

BILL:	SB 355
TITLE:	Family and Medical Leave Insurance Program - Delay of Implementation
DATE:	February 5, 2025
POSITION:	Support
COMMITTEE:	Senate Finance Committee
CONTACT:	Mary Pat Fannon, Executive Director, PSSAM

The Public School Superintendents' Association of Maryland (PSSAM), on behalf of all twenty-four local school superintendents **supports** Senate Bill 355.

This bill alters the dates from July 1, 2025, to July 1, 2027, and from July 1, 2026, to July 1, 2028, on which the payment of contributions and the submission of claims for benefits, respectively, are to begin under the Family and Medical Leave Insurance Program.

The Time to Care Act of 2022 established the Family and Medical Leave Insurance (FAMLI) Program and Fund to provide up to 12 weeks of benefits to a covered individual taking leave from employment due to personal and family circumstances. The FAMLI Fund consists of contributions from employees and employers, including Maryland's 24 local school systems and municipal and county governments. As intended, employers and employees are to begin making payroll contributions to the Department of Labor to generate the FAMLI fund and to support benefits payments beginning in 2026.

The Time to Care Act provided an exemption for employers who satisfy the requirements of law through their employer plan. This exemption provides the opportunity for employers, including public sector employers such as boards of education, counties, and municipal governments, to receive departmental approval to establish employer provider benefits plans.

PSSAM supports the efforts of the bill to adjust the timeline of the FAMLI Program to ensure that State and employers are granted more time and are better equipped to implement and manage the benefit.

For these reasons, PSSAM **supports** Senate Bill 355 and kindly requests a **favorable** report.

SB355 - FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM
Uploaded by: Abby Snyder, Co-Chair
Position: UNF

MARYLANDERS AGAINST POVERTY

Member Agencies:

211 Maryland
Baltimore Jewish Council
Behavioral Health System Baltimore
CASH Campaign of Maryland
Energy Advocates
Episcopal Diocese of Maryland
Family League of Baltimore
Fuel Fund of Maryland
Jewish Community Relations Council of Greater Washington
Job Opportunities Task Force
Laurel Advocacy & Referral Services, Inc.
League of Women Voters of Maryland
Loyola University Maryland
Maryland Center on Economic Policy
Maryland Community Action Partnership
Maryland Family Network
Maryland Food Bank
Maryland Hunger Solutions
Paul's Place
St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

Abby Snyder, Co-Chair
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E: ASnyder@baltjc.org

Anne Wallerstedt, Co-Chair
P: (410) 991-7285
E: AWallerstedt@mdfoodbank.org

TESTIMONY IN OPPOSITION OF SB355

FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – DELAY OF IMPLEMENTATION

Senate Finance Committee

February 5, 2025

Marylanders Against Poverty (MAP) opposes SB355, which alters the implementation date of the Family and Medical Leave Insurance Program by two years.

The overwhelming majority of employees in the United States cannot afford to take time away from work when their families need them most. According to a report by the Center for American Progress, low-wage families are the ones most in need of financial support when illness strikes or when a child is born—and the most likely to take on the care of a family member because they cannot afford a professional caregiver. Too often, out of economic necessity, new parents are forced to go back to work within days of welcoming a new child, forgoing precious bonding and recovery time. Lack of paid leave – which is concentrated in low-wage jobs – exacerbates economic inequality.

Passing the Time to Care Act in 2022 was a historic victory for all Marylanders - and it was just the first step in realizing a paid family and medical leave program in Maryland. Since 2016, The Time to Care Coalition has been working to establish - and now implement - a comprehensive paid family and medical leave program in Maryland that follows our five key principles: the program is cost-effective for workers, employers, and the government; covers all working people and applies equally to all working people; reflects an inclusive definition of family and includes the well-established reasons people need paid family and medical leave; provides up to 12 weeks of leave and replaces a substantial share of workers' usual wages; and protects workers against adverse consequences for taking leave.

Delaying implementation of the FAMLI program will harm hundreds of thousands of families, caretakers, service members, and Marylanders going through a medical crisis. According to the latest actuarial study commissioned by the DOL, it's anticipated that the FAMLI program will receive over 165,000 claims in its first year, just shy of 14,000 claims a month.1 Consequently, a two-year delay in implementation means that over 324,000 Marylanders, who would have had access to paid leave if the program was implemented on time, will instead have to make impossible choices between caring for themselves and their loved ones or maintaining their income and paying their bills. This is the very reason Maryland lawmakers enacted the FAMLI program.

Extending the time Marylanders must wait to access paid leave hurts our state's economy and small businesses. The Urban Institute study noted that FAMLI will provide a $98 million tax benefit to small businesses, leveling the playing field for small businesses to compete with large corporations and making the state an enticing place to start a business.4 Moreover, lack of access to paid family and medical leave is a leading reason women leave the workforce; as Maryland already struggles with declining Labor Participation Rates (LPR) for women, further delays to FAMLI implementation further hinders our state's sluggish economic growth.5 Maintaining the current FAMLI implementation timeline benefits families, businesses, and Maryland's economy.

MAP appreciates your consideration and requests the committee provide a unfavorable report on SB355.

***Marylanders Against Poverty (MAP)** is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.*

SB 355 - MFN -FAMLI Delay -UNF_Morrow.pdf
Uploaded by: Beth Morrow
Position: UNF

MARYLAND
FAMILY
NETWORK

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marylandfamilynetwork.org

Testimony Concerning SB 355
Family and Medical Leave Insurance Program – Delay of Implementation
Submitted to the Senate Finance Committee
February 5, 2025

Position: Oppose

Maryland Family Network (MFN) strongly opposes SB 355, which delays the implementation of the state's Family and Medical Leave Insurance (FAMLI) program by two years, moving the start of contribution collection to July 1, 2027, and the start of benefit claims to July 1, 2028.

MFN has worked since 1945 to improve the availability and quality of child care and other supports for children and their families. We are active in state and federal debates on policies that address the needs of working families and are strongly committed to ensuring that they have the supports they need to care for their children while meeting the demands of their jobs.

Postponing implementation of the FAMLI program will harm hundreds of thousands of Maryland families who need access to paid leave. According to an actuarial study commissioned by the DOL, the FAMLI program will receive approximately 165,000 claims in its first year, just shy of 14,000 claims a month.[1] Delaying FAMLI implementation means that Maryland parents over that time are more likely to experience mental health challenges, less likely to attend well-baby visits, and more likely to struggle with economic insecurity.[2] Paid family and medical leave gives parents time to care for their families during a critical window of child development, which is one of the key reasons Maryland lawmakers enacted the FAMLI program in 2022.

Delaying the start of the FAMLI program disadvantages Maryland's economy and puts us behind other states. For many Maryland employees, the ability to take time away from work following the birth, adoption, or fostering of a child is simply unaffordable. And yet we know that benefits to children, parents, and society are profound. Consequently, implementing the FAMLI program will boost Maryland's economy – from lower spending on public assistance to increased workforce participation rates - at a time when our state's economic growth is sluggish. While other states are forging ahead with implementing their paid leave programs passed through legislation after Maryland, our families are waiting. All Maryland workers should have the support they need to take care of themselves and their families.

Maryland Family Network respectfully urges an unfavorable report on SB 355

Submitted by: Beth Morrow, Director of Public Policy

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[1] The Jacob Institute, University of Baltimore. 2024. *Maryland Family and Medical Leave Insurance Program – Phase II: Analysis of Expected Program Claims and Administration Expense.* https://www.jacobfrance.org/wp-content/uploads/Phase-II-Final-Report-for-Task-2-01312024.pdf

[2] *Population Health and Paid Parental Leave: What the United States Can Learn from Two Decades of Research*. Adam Burtle and Stephen Bezruchka, Healthcare: The Journal of Delivery Science and Innovation, 2016

MD SB 355 - Testimony - Oppose - JAN 2025.pdf
Uploaded by: Brittany Williams
Position: UNF

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.[1] 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.[6] 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.[7] 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

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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.[8] 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.[9] 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.[10] 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

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[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

SEIU Local 500 Testimony in Opposition of SB 355.p
Uploaded by: Christopher Cano
Position: UNF

Testimony - SB 355, Family and Medical Leave Insurance Program -
Delay of Implementation
Unfavorable
Senate Finance Committee
February 5, 2025
Christopher C. Cano, MPA
Director of Political & Legislative Affairs on Behalf of SEIU Local 500

Honorable Chairwoman Beidle and Members of the Senate Finance Committee:

SEIU Local 500, as one of Maryland's largest public sector unions representing over 23,000 workers, and a member of the Time to Care Act Coalition strongly **oppose SB 355**. Leaving Marylanders without paid medical and family leave benefits for an additional two years would not only hurt families in these uncertain times, it sends a clear signal to your constituents that Maryland families are a secondary consideration to the work being done in this building.

The Time to Care Act was a victory for the millions of Marylanders who have fought for access to paid leave and are eager to realize the full implementation of the FAMLI program. And, while a historic victory for all Marylanders, it was just the first step. Now we see this bill seeking to delay implementation sending a clear signal that the political will is lacking, that taking the first step on behalf of working people is apparently too much.

Delaying implementation of the FAMLI program will harm hundreds of thousands of families, caretakers, service members, and Marylanders going through a medical crisis. According to the latest actuarial study commissioned by the DOL, it's anticipated that the FAMLI program will receive over 165,000 claims in its first year, just shy of 14,000 claims a month. Consequently, a two-year delay in implementation means that over 324,000 Marylanders, who would have had access to paid leave if the program was implemented on time, will instead have to make impossible choices between caring for themselves and their loved ones or maintaining their income and paying their bills. This is the very reason Maryland lawmakers enacted the FAMLI program.

Furthermore, delaying the implementation of the FAMLI program will put Maryland behind other states. As it stands, three states that passed paid leave legislation after Maryland – Delaware, Minnesota, and Maine – will fully implement their programs before Maryland does, leaving our residents waiting. While Maryland was lauded as a national leader in paid leave policy when we passed the Time to Care Act in 2022, each year the programmatic implementation gets further delayed other states take up the mantle and lead ahead of us, leaving Marylanders behind.

SEIU Local 500's members stand with our allies in the Time to Care Coalition to strongly oppose prolonging the implementation of the FAMLI program beyond its current timeline. Since Time to Care was passed in 2022, the implementation timeline has already been delayed twice through legislation in the 2023 and 2024 legislative sessions. Our coalition supported those delays, as they were necessary to ensure DOL had adequate time to build the systems and teams needed to accept contributions and pay out benefits. We will not, we cannot support further delays and neither should anyone here. Marylanders are waiting to access paid family leave, not waiting for politicians to have the will to do what is right.

We ask for you to oppose passage of SB 355 and ask for an unfavorable report from this committee.

Thank you for your time and consideration.

Christopher C. Cano, MPA
Director of Political & Legislative Affairs
SEIU Local 500

ABB Testimony Opposing SB 355.pdf
Uploaded by: Fatimah Hameed-Burne
Position: UNF

Testimony in Opposition of SB 355
Family and Medical Leave Insurance Program - Delay of Implementation

Senate Finance Committee
February 5, 2025

Submitted by Fatimah Hameed-Burne, Senior Staff Attorney at A Better Balance

A Better Balance (ABB) is a national legal advocacy organization with four regional offices dedicated to promoting fairness in the workplace and helping workers meet the conflicting demands of work and family. Our organization provides legal and policy support to paid family and medical leave campaigns throughout the nation, and we have worked on all of the paid family and medical leave laws that are now or will soon be in full effect. In addition to our legal research and drafting of paid leave laws, we have significant experience with paid family and medical leave implementation and enforcement.

ABB stands in strong opposition to SB 355, which would delay the implementation of Maryland's Family and Medical Leave Insurance (FAMLI) by shifting contribution collection to start July 1, 2027 and benefits claims to start July 1, 2028. This would deprive Marylanders of access to the paid family and medical leave, which they have been waiting to see implemented since 2022, for two additional years. ABB echoes the concerns expressed by the Maryland Time to Care Coalition in its testimony opposing SB 355.

Delaying the implementation of the FAMLI program will put Maryland further behind other states that have passed and successfully implemented paid family and medical leave legislation on a shorter timeframe. Even without the additional delay that would be caused by SB 355, ***Maryland already has the longest implementation timeline of any state that has passed paid family and medical leave in the past decade***. From the date of the law's enactment to the currently planned start of benefits payments, a total of 4 years and 2 months will have passed; if SB 355 goes into effect, this timeline will shoot up to 6 years and 2 months, well beyond the average timeline for other states without pre-existing temporary disability insurance programs, which is approximately 3 years and 3 months. Maine, Minnesota, and Delaware, three states that passed their paid family and medical leave laws *after* Maryland, will see the full implementation of their paid leave programs much sooner—while Marylanders are still left waiting.

With the Time to Care Coalition's support, implementation of Maryland's FAMLI program has already been *delayed twice* in the 2023 and 2024 legislative sessions. While these delays were necessary and allowed time for the Department of Labor to prepare for the program's implementation, there are no justifiable reasons for further delays.

Two additional years without implementation means two years' worth of Marylanders in need of paid leave who will instead be forced to choose between caring for themselves and loved ones or their financial security. It also means two years' worth of additional burden on the state's other safety net programs for families who could remain out of poverty if they had access to paid family and medical leave. SB 355 would keep Maryland's small businesses struggling to compete with large corporations and keep women's workforce participation falling behind for two more years. Marylanders deserve the benefits that the FAMLI program's implementation will bring to their families, their health, their businesses, and the state's economy, and they are already waiting long enough.

A Better Balance reiterates its firm opposition to SB 355 and supports maintenance of the current FAMLI implementation timeline. Thank you for your consideration. If you have any questions, I can be reached at fhameedburne@abetterbalance.org.

2025 Testimony in OPPOSITION of SB 355.pdf
Uploaded by: JOHN BOWERS
Position: UNF

Testimony in OPPOSITION of SB 355 "Family and Medical Leave Insurance Program – Delay of Implementation"
Senate Finance Committee
February 05, 2025

UNFAVORABLE

TO: Chair Beidle Kelley, Vice Chair Hayes, and members of the Finance Committee

FROM: John H. Bowers

My name is John Bowers. I am submitting this testimony in OPPOSITION of SB 355, which would again delay implementation of the FAMLI program, leaving Marylanders without paid medical and family leave benefits for an additional two years.

I am a resident of Montgomery County, a District 14 constituent, and a volunteer Alzheimer's advocate. I am fortunate to be represented in the Maryland State Senate by Sen. Craig Zucker (D).

Alzheimer's is a devastating disease that eventually kills. I know this first hand because I lost my mother to Alzheimer's disease. Alzheimer's affects entire families, not just those that have the disease. And care is expensive! Families may cut back on food, transportation, and medical care to pay for it, or borrow money, or use retirement savings. In Maryland, 1 in 5 unpaid caregivers are providing care for a person with Alzheimer's disease or other dementia.

Paying for these costs is often made even more difficult by the employment consequences for caregivers. In the US, among those who continue to work, 57% of Alzheimer's caregivers have had to go to work late, leave early, or take time off because of their caregiving responsibilities. And this: More than 1 in 3 dementia caregivers say their health has gotten worse due to their care responsibilities. These caregivers need paid family leave.

The Alzheimer's Association Maryland Chapter stands with the Time to Care Coalition in full support of timely implementation of FAMLI. We provide help, answers and referral to those affected by Alzheimer's disease and dementia, even as the General Assembly has reduced, by 50%, the funding passed for the Department of Health to expand and improve dementia and brain health services in Maryland.

A third delay in implementing FAMLI will harm hundreds of thousands of Maryland families, caregivers, and service members going through a medical crisis. I respectfully urge this committee to return a UNFAVORABLE report on SB 355.

Thank you,

John H. Bowers
Volunteer Alzheimer's Advocate
ALZ Impact Movement
Silver Spring, MD 20904
301-332-7019

SB 355_MD Center on Economic Policy_UNF.pdf
Uploaded by: Kali Schumitz
Position: UNF

MDCEP
MARYLAND CENTER ON ECONOMIC POLICY

FEBRUARY 5, 2025

Maryland Workers Have Waited Long Enough for Paid Family and Medical Leave

Position Statement in Opposition to Senate Bill 355

Given before the Finance Committee

The Maryland General Assembly adopted the Time to Care Act in 2022 to ensure workers can afford to take time off to care for a new child or a family member dealing with a serious illness. Once implemented, this program will provide significant benefits for families, communities, and Maryland's economy. As originally enacted, the Time to Care Act would have made paid leave benefits available beginning in January of this year. Lawmakers subsequently delayed implementation by 18 months. **Senate Bill 355 would force workers to wait two more years** before using the benefits they were promised in 2022. Enough is enough. **For these reasons, the Maryland Center on Economic Policy opposes Senate Bill 355.**

Lawmakers made the right choice in 2022 by ensuring Maryland workers can afford to take time off to care for a new child or a family member dealing with a serious illness. This decision will bring significant and wide-ranging benefits to workers and families, including improved infant health and reduced employee turnover.

Credible academic research, as well as the experience of other states with similar programs, shows that paid family and medical leave brings significant and wide-ranging benefits:[i]

- **Public health benefits:** Evidence links paid leave guarantees to a decline in infant mortality, improvements in mothers' mental health, a 33% drop in upper respiratory complications among infants, and increased ability for aging adults to live at home. Research shows that children in low-income families see especially large health benefits.
- **Economic benefits:** A study found that California's paid leave guarantee decreased the number of mothers of young children with family income below the federal poverty line (currently about $26,000 for a family of four). While paid leave enables parents to take more time off during the first few weeks of a child's life, research shows that it can also enable mothers to return to the paid workforce sooner. Studies have linked paid leave to improvements in productivity and declines in turnover.

However, policymakers have repeatedly delayed implementation of the Time To Care Act:

- As introduced, the 2022 bill would have made benefits available in January 2024.
- The enacted 2022 law made benefits available in January 2025.
- Lawmakers in 2023 delayed implementation by a year to ensure smooth administration and sufficient funding: January 2026.
- Last year, lawmakers delayed implementation by another six months: July 2026.

Under Senate Bill 355, promised benefits would not become available until **July 2028**. Maryland workers have waited long enough.

For these reasons, the Maryland Center on Economic Policy respectfully requests that the Finance Committee make an unfavorable report on Senate Bill 355.

Equity Impact Analysis: Senate Bill 355

Bill summary

Senate Bill 355 delays implementation of the Time To Care Act of 2022 by two years:

- Delays required contributions to the Family and Medical Leave Insurance Fund from July 2025 to July 2027
- Delays the availability of paid leave benefits from July 2026 to July 2028

Background

The 2022 Maryland Time to Care Act (Chapter 48) provides up to 12 weeks of job-protected paid family and medical leave insurance open to all people working in Maryland. As enacted, the law made paid leave benefits available beginning in January 2025.

Chapters 258 and 259 of 2023 delayed benefits availability by one year, to January 2026.

Chapters 266 and 267 of 2024 further delayed benefits availability by six months, to July 2026.

Equity Implications

Maryland's current lack of a paid family and medical leave guarantee poses significant equity concerns. Delaying paid leave implementation as called for under Senate Bill 355 would prolong these inequities:

- Sixteen percent of workers nationwide needed to take family or medical leave in the last two years but were unable to do so, according to a 2016 survey by the Pew Research Center. This group includes 19% of women, 23% of Latino workers, 26% of Black workers, and 30% of workers with less than $30,000 in annual income.
- Workers with an unmet need for leave were more likely to cite inability to afford the lost income as a reason for taking no leave or less than they needed than any other factor (72% of those taking no leave, 69% of those taking less leave than they needed).
- Many workers who took a pay cut during their time off work dealt with the loss of income by dipping into savings intended for another purpose, cutting their leave short, taking on debt, or putting off paying bills.
- Research suggests that parents who take no leave, insufficient leave, or unpaid leave may face a higher risk of experiencing mental health problems; their children may face a higher risk of health problems or even death. Workers who face barriers to taking the leave they need—who are disproportionately workers of color or low-wage workers—are especially likely to face these risks.

Impact

Senate Bill 355 would **worsen racial, gender, and economic inequity** in Maryland.

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[i] Heather MacDonagh, "Family and Medical Leave Insurance," Department of Legislative Services, 2019, http://dls.maryland.gov/pubs/prod/BusTech/Family_and_Medical_Leave_Insurance.pdf

Memorandum In Opposition to SB 355 – Senator Hershey

Senate Finance Committee

February 5, 2025

American Cancer Society Cancer Action Network is the nonprofit nonpartisan advocacy affiliate of the American Cancer Society. ACS CAN empowers cancer patients, survivors, their families and other experts on the disease, amplifying their voices and public policy matters that are relevant to the cancer community at all levels of government. We support evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem. On behalf of our constituents, many of whom have been personally affected by cancer, we oppose SB 355.

It is estimated that in 2025 alone, 37,200 Marylanders will be diagnosed with cancer. We know that cancer treatment is costly and time consuming. Cancer patients and their caregivers often miss work due to:

- Ongoing doctors' visits throughout treatment
- Chemotherapy, radiation and/or surgery
- Time needed to recover from symptoms or effects of treatment.

Between 2017 and 2019, ACS CAN conducted multiple surveys to explore the issue of paid leave among cancer patients, survivors, and caregivers. The majority of respondents reported facing a financial burden due to a lack of paid leave. Fifty percent of cancer patients, 34% of cancer survivors, and 48% of caregivers reported financial problems after missing work or reducing work hours to access treatment or tend to their loved ones.

On the other hand, individuals with paid family and medical leave were less likely to report experiencing financial problems while seeking cancer treatment. Additionally, studies have shown that cancer patients who have paid leave have higher rates of job retention.

Access to paid family and medical leave makes a critical difference for people facing a cancer diagnosis – leading to improved outcomes and better quality of life. *Respondents that used paid leave were nearly 50% more likely to complete their treatment, 46% more likely to attend doctor or treatment appointments, and 43% more likely to manage their symptoms or side effects.*

Lance Kilpatrick, Government Relations Dir. | lance.kilpatrick@cancer.org | fightcancer.org | 410-547-2143

Patients/Survivors

% Positive Impact – Used/Didn't Use Paid Medical/Family Leave	Have Paid Leave & Used It (27%)	Have Paid Leave But Didn't Use It (24%)
Being able to complete your treatment	80%	34%
Your doctor or treatment appointments	77%	31%
Managing your symptoms or side effects	70%	27%
The decisions you made about which treatments to receive or where to receive them	66%	23%
Affording your treatments	64%	22%
The number of different treatment options to which you had access	63%	21%

ACS CAN applauded the Maryland General Assembly in 2022 for addressing the need for paid family and medical leave. Cancer never stops, and the need for paid family and medical leave hasn't stopped either.

ACS CAN thanks the Chair and committee for the opportunity to testify and urges an unfavorable report of SB 355.

Oppose AHA SB 355 FMLA Delay.pdf
Uploaded by: Laura Hale
Position: UNF

February 2, 2025

Testimony of Laura Hale
American Heart Association
Oppose SB 355 Family and Medical Leave Insurance Program - Delay of Implementation

Dear Chair Beidle, Vice Chair Hayes and Honorable Members of the Finance Committee,

On behalf of the American Heart Association (AHA) and our 40 million volunteers and supporters, we strongly opposed SB 355 as it will delay vital programing that will support Maryland families.

Now in our centennial year, the AHA is the nation's oldest and largest voluntary organization dedicated to fighting heart disease and stroke. Our mission is to be a relentless force for a world of longer, healthier lives, and central to that mission is our belief that care should be accessible, affordable, and equitable for all.

Access to Paid Family Medical Leave (PFML) is vital to balancing health and wellness with financial stability when managing a serious personal health condition; caring for a family member with a serious health condition; or bonding with a new child after birth, adoption, or placement in foster care. Employers also benefit financially from PFML policies; PFML increases productivity, profits, retention, and employee morale. This program has already been delayed since the legislation was originally passed and families have had to struggle during delay. Continuing to delay will hurt Maryland families and not allow them the paid protection to take time to care for themselves or loved ones when medical emergencies happen.

PFML is especially critical for the cardiovascular patients we represent, as it allows patients the time necessary to treat and recover from a cardiovascular event. For example, heart attacks often require at least four weeks of recovery time, with up to six months of follow-up medical appointments. Research shows approximately 50 percent of heart attack survivors return to work after four weeks and approximately 75 percent return to work after four months. The timeline laid out and allowing for multiple leaves is key in supporting families in Maryland. These families cannot afford any additional delays.

Other health benefits of paid leave include fewer emergency room visits, fewer hospital readmissions for infants and birthing mothers, fewer low birthweight babies, and longer parental lifespan.

The America Heart Association strongly opposes SB 355 and asks for an unfavorable report. Maryland has set strong guidelines in place, now is not the time to delay.

Sincerely,

L. Hale

Laura Hale
Director of Government Relations
laura.hale@heart.org

TTC - SB 355 - FAMLI Delay - UNF.docx.pdf
Uploaded by: Lisa Klingenmaier
Position: UNF

TESTIMONY IN OPPOSITION OF SB 355
FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – DELAY OF IMPLEMENTATION

Senate Finance Committee
February 5, 2025

Submitted by Lisa Klingenmaier, Manager of the Time to Care Coalition

The Time to Care Coalition is a statewide coalition of nearly 2,000 organizations and individuals - including non-profits, faith communities, unions, and businesses - working since 2016 to establish a comprehensive paid family and medical leave program in Maryland.

The Time to Care Coalition strongly opposes SB 355, which would leave Marylanders without paid medical and family leave benefits for an additional two years. This bill delays the implementation of the state's Family and Medical Leave Insurance (FAMLI) program by moving the start of contribution collection to July 1, 2027, and the start of benefit claims to July 1, 2028.

The Time to Care Coalition represents the millions of Marylanders who have fought for access to paid leave and are eager to realize the full implementation of the FAMLI program. Passing the Time to Care Act in 2022 was a historic victory for all Marylanders - and it was just the first step in realizing a paid family and medical leave program in Maryland. Since 2016, The Time to Care Coalition has been working to establish - and now implement - a comprehensive paid family and medical leave program in Maryland that follows our five key principles: the program is cost-effective for workers, employers, and the government; covers all working people and applies equally to all working people; reflects an inclusive definition of family and includes the well-established reasons people need paid family and medical leave; provides up to 12 weeks of leave and replaces a substantial share of workers' usual wages; and protects workers against adverse consequences for taking leave.

Delaying implementation of the FAMLI program will harm hundreds of thousands of families, caretakers, service members, and Marylanders going through a medical crisis. According to the latest actuarial study commissioned by the DOL, it's anticipated that the FAMLI program will receive over 165,000 claims in its first year, just shy of 14,000 claims a month.[1] Consequently, a two-year delay in implementation means that over 324,000 Marylanders, who would have had access to paid leave if the program was implemented on time, will instead have to make impossible choices between caring for themselves and their loved ones or maintaining their income and paying their bills. This is the very reason Maryland lawmakers enacted the FAMLI program.

Delaying implementation of FAMLI is counterproductive to the state's goal to end childhood poverty. The Urban Institute found that Maryland's FAMLI program has the potential to reduce the poverty rate 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.[3] Every day the implementation of FAMLI is delayed,

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[1] The Jacob Institute, University of Baltimore. 2024. *Maryland Family and Medical Leave Insurance Program – Phase II: Analysis of Expected Program Claims and Administration Expense.* https://www.jacobfrance.org/wp-content/uploads/Phase-II-Final-Report-for-Task-2-01312024.pdf
[2] Urban Institute. September 2024. *Impact of Paid Family and Medical Leave in Maryland: an Analysis of the Maryland Family and Medical Leave Insurance Act.* https://www.dol.gov/sites/dolgov/files/WB/pdf/ImpactPFMLMaryland.pdf
[3] Ibid.

Maryland families needlessly fall into poverty without access to paid leave. When families have nowhere else to turn for support, Maryland will bear these costs through spending in our state's safety-net programs.

Extending the time Marylanders must wait to access paid leave hurts our state's economy and small businesses. The Urban Institute study noted that FAMLI will provide a $98 million tax benefit to small businesses, leveling the playing field for small businesses to compete with large corporations and making the state an enticing place to start a business.[4] Moreover, lack of access to paid family and medical leave is a leading reason women leave the workforce; as Maryland already struggles with declining Labor Participation Rates (LPR) for women, further delays to FAMLI implementation further hinders our state's sluggish economic growth.[5] Maintaining the current FAMLI implementation timeline benefits families, businesses, and Maryland's economy.

Delaying the implementation of the FAMLI program will put Maryland behind other states. As it stands, three states that passed paid leave legislation after Maryland – Delaware, Minnesota, and Maine – will fully implement their programs before Maryland does, leaving our residents waiting.[6] While Maryland was lauded as a national leader in paid leave policy when we passed the Time to Care Act in 2022, each year the programmatic implementation gets further delayed other states take up the mantle and lead ahead of us, leaving Marylanders behind.

The Time to Care Coalition strongly opposes prolonging the implementation of the FAMLI program beyond its current timeline. Since Time to Care was passed in 2022, the implementation timeline has already been delayed twice through legislation in the 2023 and 2024 legislative sessions. Our coalition supported those delays, as they were necessary to ensure DOL had adequate time to build the systems and teams needed to accept contributions and pay out benefits. We cannot support further delays. Marylanders are eager to access this critical program they have waited for, and further implementation delays are untenable.

The Time to Care Coalition appreciates your consideration and strongly opposes SB 355.

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[4] Ibid.

[5] Bipartisan Policy Center. October 2023. *Women in the Workforce Need Family-Focused Policy.* https://bipartisanpolicy.org/blog/women-in-the-workforce-need-family-focused-policy/

[6] A Better Balance. 2025. *Overview of Paid Family and Medical Leave Laws in the US.* https://www.abetterbalance.org/family-leave-laws/

SB355_1199SEIU_UNF
Uploaded by: Loraine Arikat
Position: UNF

Testimony in opposition to SB 355

Family and Medical Leave Insurance Program – Delay of Implementation

Position: Unfavorable

To Senator Beidle and members of Senate Finance Committee:

My name is Ricarra Jones, and I am the Political Director with 1199SEIU United Healthcare Workers East. We are the largest healthcare workers union in the nation, with 10,000 members in Maryland and Washington, DC. 1199 SEIU opposed SB 355 because timely implementation of the Family and Medical Leave Insurance Program is crucial to supporting working families across the state who currently do not have paid family and medical leave benefits.

SB 355 would delay the implementation of the bill an additional two years. This delay detrimentally impacts families experiencing medical crises and choosing between caring for themselves or a loved one and maintaining their income and paying their bills.

Maintaining the current FAMLI implementation timeline benefits families, businesses, and Maryland's economy. The Urban Institute found that Maryland's FAMLI program has the potential to reduce the poverty rate by 22% among families receiving benefits. The Urban Institute study also noted that FAMLI will provide a $98 million tax benefit to small businesses, leveling the playing field for small businesses to compete with large corporations and making the state an enticing place to start a business. Lack of access to the FAMLI program is pushing Marylanders to leave the workforce to care for their loved ones which hinders our state's economic growth.

1199 SEIU urges an unfavorable report on SB 355 because Marylanders can no longer afford delays to the FAMLI program.

Sincerely,

Ricarra Jones
Political Director
Ricarra.jones@1199.org

SB355 - PJC - Unfav.pdf
Uploaded by: Lucy Zhou
Position: UNF

Lucy Zhou
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SB355: Family and Medical Leave Insurance Program – Delay of Implementation

Hearing before the Senate Finance Committee, February 5, 2025

Position: UNFAVORABLE

The Public Justice Center (PJC) is a not-for-profit civil rights and anti-poverty legal services organization which seeks to advance social justice, economic and racial equity, and fundamental human rights in Maryland. Our Workplace Justice Project supports workers' rights to fair compensation and dignity in the workplace. **The PJC opposes SB355, which would delay the implementation timeline of paid family and medical leave in Maryland by another two years.**

- **Family and medical emergencies do not wait for a convenient timeline and neither should the General Assembly.** All of us need time to care—for new babies, aging parents, loved ones with serious health needs or disabilities, and/or ourselves. Without paid family and medical leave, workers will be forced to continue making excruciating choices between caring for their own health or that of a loved one and keeping their paycheck. A two-year delay of the current FAMLI implementation timeline would continue to deny working families the financial support they need in these critical moments.

- **Further delaying paid family and medical leave would exacerbate existing inequities.** While all workers benefit from paid family and medical leave, the policy advances racial and gender equity because women of color are far more likely to lack employer-provided paid leave and to take unpaid leave or forgo needed time off. Implementing the FAMLI program promptly would thus help build economic security for all covered workers, but especially for workers of color.[1] Broadening the scope of who can access paid leave also helps encourage more equal participation in caregiving, allows both parents to bond with a new child without compromising financial stability or professional growth, and helps shift traditional norms about gender roles in family care.

- **Further delaying paid family and medical leave would also delay the positive impacts on businesses and the economy.** Paid leave helps reduce employee turnover and increases employee engagement, productivity, and morale.[2] Implementing paid family and medical leave also helps level the playing field for small businesses, who could not otherwise afford to offer paid leave, and reduces the burden on individual employers by spreading the cost of leave between employers

[1] Paid Family and Medical Leave: A Racial Justice Issue – and Opportunity, National Partnership for Women and Families, Aug. 2018, https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/paid-family-and-medical-leave-racial-justice-issue-and-opportunity.pdf.
[2] National Partnership for Women & Families. (2019). *The Family and Medical Insurance Leave (FAMILY) Act.* https://www.nationalpartnership.org/our-work/resources/economic-justice/paid-leave/family-act-fact-sheet.pdf.

and employees. Moreover, when workers have to forgo their wages or even lose their job when a medical or caregiving need arises, they can lose their ability to afford basic necessities and may become more dependent on state-funded safety-net programs.[3] Delaying the implementation of the FAMLI program means delaying the realization of these benefits to Maryland businesses and the state economy.

- **The implementation of the FAMLI program has already been delayed multiple times.** The original legislation establishing the FAMLI program passed in 2022, and the implementation timeline was subsequently postponed in both the 2023 and 2024 legislative sessions. If SB355 were to pass, Maryland's implementation timeline—from enactment of the FAMLI program in 2022 to the start of benefits payments on July 1, 2028—would be more than 6 years. Every other state with a fully implemented paid family and medical leave program has been able complete implementation in 4 years or less.[4] There is no reason why Maryland cannot accomplish implementation on a comparable timeline, especially when Maryland has the experiences of these other states to draw upon. Further delays of the implementation of the FAMLI program are not justified.

For the foregoing reasons, the PJC **OPPOSES SB355** and urges an **UNFAVORABLE** report. If you have any questions, please call Lucy Zhou at 410-625-9409 ext. 245.

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[3] *Id.*

[4] A Better Balance, Paid Leave Program Implementation Timelines, https://www.abetterbalance.org/resources/paid-leave-program-implementation-timelines/ (last updated Apr. 26, 2024).

SB355 Testimony.pdf
Uploaded by: Madelin Martinez
Position: UNF

CATHOLIC CHARITIES | CHERISHING THE DIVINE WITHIN ALL

SB355
Family and Medical Leave Insurance Program - Delay of Implementation
Finance Committee
February 5, 2025
Oppose

Catholic Charities of Baltimore opposes SB355, which delays the implementation of the Family and Medical Leave Insurance Program by two years, pushing back the start of employee contributions, benefit claims, and related administrative processes.

For a century, Catholic Charities has provided care and services to improve the lives of Marylanders in need. We accompany Marylanders as they age with dignity, support their pursuit of employment and career advancement, heal from trauma and addiction, achieve economic independence, prepare for educational success, and welcome immigrant neighbors into Maryland communities.

At Catholic Charities, our mission has always been to support and uplift families, helping them navigate life's challenges with dignity and opportunity. A key part of that mission is ensuring that Marylanders, particularly those in low-income households, have access to the resources they need to thrive. This includes not only access to critical services like healthcare and housing support but also the ability to care for loved ones during times of need.

The need to take time off is universal, but the ability to do so is not. Most employees in the U.S. do not have access to paid family leave, and SB355 would continue to leave many without this essential support.[1] This program, particularly beneficial for low-wage workers who are disproportionately affected by the lack of paid leave, would help families avoid the financial strain of losing pay to care for a loved one, recover from a medical crisis, or bond with a newborn or adopted child. For low-income families, just a few days without pay can mean the difference between keeping up with rent or paying for groceries.

Delaying this program further delays the chance to strengthen the health and financial security of Marylanders living in or near poverty. Workers of color, especially Black and Brown individuals, earn significantly less on average than their white counterparts, and women of color are often both the primary breadwinners and caregivers for their families.[2,3] This makes it even harder for them to absorb the financial strain of unexpected events like medical crises or family care needs. Implementing paid family leave with a pay structure, as proposed in the Time to Care Act of 2022, would be a critical step toward addressing these racial and economic inequities in the workforce and our communities.

For these reasons, as well as those outlined by the Time to Care Coalition, Catholic Charities of Baltimore opposes SB355 and urges the committee to reject the bill.

Submitted By: Madelin Martinez, Assistant Director of Advocacy

1. U.S. Bureau of Labor Statistics. (2018, September). National Compensation Survey: Employee Benefits in the United States, March 2018. https://www.bls.gov/ncs/ebs/benefits/2018/employee-benefits-in-the-united-states-march-2018.pdf
2. The Center for Law and Social Policy (CLASP). https://www.clasp.org/sites/default/files/publications/2018/12/2018_pfmliscriticalfor_0.pdf
3. National Partnership for Women and Families. http://www.nationalpartnership.org/our-work/resources/workplace/paid-leave/paid-family-and-medicalleave-racial-justice-issue-and-opportunity.pdf

TESTIMONY IN OPPOSITION TO SB 355.pdf
Uploaded by: Marianne Bellesorte
Position: UNF

FAMILY VALUES @ WORK
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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.

FAMILY VALUES @ WORK
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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 FAMLI 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 FAMLI program without additional setbacks.

Conclusion

Delaying the FAMLI 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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Family Values @ Work
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SB355_LisaBarkan_JUFJ_UNF.pdf
Uploaded by: Matan Zeimer
Position: UNF

February 5, 2025

Lisa A. Barkan
Towson, MD 21286

JEWS UNITED FOR JUSTICE
THINK JEWISHLY. ACT LOCALLY.

TESTIMONY ON SB355 - POSITION: UNFAVORABLE

Family and Medical Leave Insurance Program - Delay of Implementation

TO: Chair Beidle, Vice Chair Hayes, and members of the Finance Committee

FROM: Lisa Barkan on behalf of Jews United for Justice

My name is Lisa Barkan. I am a resident of District 42B. I am submitting this testimony on behalf of Jews United for Justice (JUFJ) in opposition to SB355, Family and Medical Leave Insurance Program - Delay of Implementation. JUFJ organizes over 6,000 Jewish Marylanders and allies in support of local campaigns for social, racial, and economic justice.

During the 2022 session, the Maryland Legislature passed one of the strongest and most comprehensive paid family and medical leave programs in our country. The Family and Medical Leave Insurance (FAMLI) Program demonstrates the power government has to improve people's lives. This historic legislation allows Marylanders to take care of themselves or their loved ones for up to 12 weeks, without fear of losing their jobs or being unable to pay their mortgage or other critical expenses.

JUFJ, along with its partners in the Time To Care Coalition, supported amendments that provided additional time for the Maryland Department of Labor (DOL) to implement the program. JUFJ wanted to ensure that the program would be fully operational when DOL rolled it out. JUFJ believed such delays were necessary to allow DOL time to build the teams and infrastructure it needed to accept contributions, review claims, and pay employees benefits. Under the current statute, DOL would begin collecting contributions on July 1 of this year, and start providing benefits on July 1, 2026.

SB355 provides the DOL an additional two year delay to start implementing the FAMLI Program. Under SB355, DOL would begin collecting contributions from employers on July 1, 2027 and begin providing employees' benefits on July 1, 2028. This delay is unwarranted and dangerous.

Instead of furthering FAMLI's goal to aid hardworking Marylanders' by providing them essential funds when they have to take a leave from work to care for themselves or their loved ones, SB355 would needlessly harm many people.

Unfortunately, I know how important paid family and medical leave is. My son Alex was born with a liver disease. When he was eight and a half months old he needed a liver transplant. His doctors told my husband and me that one of us should remain home with him for four months after his transplant. At that time, I worked as an Assistant Attorney General in the Maryland Office of the Attorney General. My co-workers donated some of their leave time to me and I was paid for four months.

When Alex was two and a half years old, he developed an aggressive lymphoma which was caused by the immunosuppressant medicine He was hospitalized in September and he died at the end of October. He went into the hospital and he never came home. My co-workers donated time to me once again and I was paid for the time Alex was in the hospital until I returned to work. There are other working parents who have critically ill children. They deserve a robust and accessible paid family and medical leave program.

The concept of practicing Tzedakah – engaging in acts of kindness that help others – is a core tenet of Jewish teachings. Psalm 82 instructs Jews to: "Defend the poor and the orphan, deal justly with the poor and the destitute. Rescue the weak and the needy." Communities as well as individuals are directed to perform these sacred and powerful acts. According to the Torah, "Tzedakah exalts a nation," (Proverbs 14:31) "and the work of tzedakah shall bring peace" (Isiah 32:17).

During 2022, this Legislature passed monumental legislation to support Marylanders. Since then, Delaware, Minnesota, and Maine passed paid family and medical leave legislation. Even without SB355's additional delay, these states will fully implement their programs sooner than Maryland. Further delaying the operation of the FAMLI Program, affirms peoples' views that the government cannot and will not act to aid its residents. Marylanders should join other states that have passed legislation and implemented paid family and medical leave programs.

Working Marylanders need and deserve paid family medical leave. They should be able to take a pause from work to care for and spend time with their loved ones without fearing that they cannot pay their bills. When my son was critically ill, my colleagues donated some of their leave to me, so I could care for and be with my son. I am very lucky that my colleagues were allowed to and chose to donate leave to me. I should not be one of the "lucky ones." Instead, all Marylanders should have access to paid family and medical leave.

On behalf of JUFJ, I strongly urge this committee to return an unfavorable report on SB355.

PERSONAL TESTIMONY IN OPPOSITION OF SENATE BILL 35

Uploaded by: Morgan Carroll
Position: UNF

For more information, please contact
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PERSONAL TESTIMONY IN OPPOSITION OF SENATE BILL 355

Family and Medical Leave Insurance Program – Delay of Implementation

Finance Committee

February 5, 2025

As a future social worker and lifelong Marylander, **I strongly oppose SB355 Family and Medical Leave Insurance Program – Delay of Implementation**. By delaying the implementation of the Family and Medical Leave Insurance Program, Maryland will continue to lag behind almost all of the northeast states including Delaware, New York, New Jersey, and Massachusetts. I have spent my life in the great state of Maryland, even recently buying a home in the 46th district. However, as I enter my 30s and plan to start a family I must take into consideration the type of support our state is offering to new parents during those most crucial first months. As a past early childhood educator, I know just how important it is to start children off on the right foot from the very beginning. It is imperative to me and my fiance that we are able to bond with our child during their first moments without fear of financial instability. Without the Family and Medical Leave Insurance Program we are likely to move out of state to start our family despite our desire to remain proud Marylanders. We love our state and have made a home here, but we must also consider the benefits that many of our surrounding states are offering to new parents that Maryland continues to postpone. **I urge an unfavorable report so that Maryland remains a place that families wish to put down roots in.**

Respectfully,

Morgan H. Carroll

MD SB355 Comment.pdf
Uploaded by: Nat Baldino
Position: UNF

Testimony in Opposition of SB 355
Family and Medical Leave Insurance Program – Delay of Implementation
Senate Finance Committee
February 5, 2025

Submitted by Nat Baldino, Policy Analyst, The Center for Law and Social Policy

Members of the Committee,

Thank you for the opportunity to provide a public comment on SB 355, which would delay the implementation of the FAMLI program. The Center for Law and Social Policy (CLASP) is a national, nonpartisan, nonprofit advancing anti-poverty solutions that remove barriers blocking people from economic security. We work at both the federal and state levels, and have long worked with state administrators of paid family and medical leave programs. We've contributed to the rulemaking process, facilitated an inter-state learning community of administrators, and provided technical assistance to many states, including Maryland. As a DMV-based organization, the success of Maryland's FAMLI program is of special significance to us.

We are writing today in strong opposition to SB 355. Maryland's passage of the Time to Care Act of 2022 was an historic victory for Maryland, and we commend the new FAMLI division for its tireless work in ensuring a strong program. Almost a year ago, CLASP wrote in support of HB 571, which delayed the implementation timeline, moving contributions collections to July 1, 2025 and benefits rollout to July 1, 2026. We supported this previous delay under the belief that it is best to have a paid leave program that is functional and accessible to administrators, employers, and workers.

After decades of work providing technical assistance to state administrators of paid family and medical leave programs, we have collected many lessons learned on program implementation. Of all of the currently operational PFML programs, not a single one has required the delayed timeline proposed by SB 355. Most states have required 2-3 years total from enactment to the rollout of benefits. The longest timeline was the rollout of Oregon's paid leave program, which required 4 years and 1 month.[1] The possibility of delaying the rollout of Maryland's paid leave program by moving the start of contributions collection to July 1, 2027, and the rollout of benefits to July 1, 2028 is almost double the average timeline.

Not only is this proposed delay unnecessary based on the available data of existing program timelines, but it is costly to working Marylanders. Recent actuarial studies

[1] A Better Balance, 2024. *Paid Leave Program Implementation Timelines.* https://www.abetterbalance.org/wp-content/uploads/2021/07/Paid-Leave-Program-Implementation-Timelines_3.16.23.pdf

anticipate over 165,000 claims for the first year of FAMLI.[2] Every extra year that Maryland waits to implement FAMLI means hundreds of thousands of needs for leave will go unmet, forcing working families to choose between their paycheck or taking the time they need to care for themselves or a loved one.

Further, delaying the implementation of FAMLI will create a weaker program over time. While all state paid leave programs require continuous evaluation and improvement, many of these improvements are only realized once administrators are able to see how a program works, connect with other states and advocates to troubleshoot, and collect data. We have seen firsthand how, through program rollout, states have been able to course correct through both statutory and legislative changes. Every year that Maryland delays implementation is another year of evaluative data lost, where the program could instead be becoming stronger. Sticking to the latest implementation timeline ensures that Maryland stays at pace with its peer states and can continue improving its program through practice.

CLASP appreciates your consideration and opposes SB 355.

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[2] The Jacob Institute, University of Baltimore. 2024. *Maryland Family and Medical Leave Insurance Program – Phase II: Analysis of Expected Program Claims and Administration Expense.* https://www.jacobfrance.org/wp-content/uploads/Phase-II-Final-Report-for- Task-2-01312024.pdf

SB355 - OPPOSE - MSCAN Testimony.pdf
Uploaded by: Sarah Miicke
Position: UNF

Maryland Senior Citizens Action Network

MSCAN

MSCAN Co-Chairs:
Carol Lienhard
Sarah Miicke
6102460075

TESTIMONY IN OPPOSITION OF SB355- FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM – DELAY OF IMPLEMENTATION
Senate Finance Committee
February 5, 2025

The Maryland Senior Citizens Action Network (MSCAN) is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that supports policies that meet the housing, health and quality of care needs of Maryland's low and moderate-income seniors.

Senate Bill 355 would delay the date of payment contributions and submission for claims (the start date of paid family and medical leave) by two years.

Older workers need paid leave to manage their own health while continuing to work. Labor force participation rates for both men and women over 65 have climbed in recent years, especially after the Great Recession.[1] At the same time, older adults are more likely to suffer from serious health conditions that require regular care.[2] In order for older workers to stay healthy and productive, they need to be able to take paid time away from work to manage their health.

As our population ages and life expectancy increases, more workers will take on caregiving roles for older family members. Family caregivers need paid leave to care for elderly parents and relatives that may be facing serious health conditions, such as stroke or cancer. In less than 15 years, the number of Marylanders who are 65 and older will grow by almost 30%, increasing the need for a paid family leave policy that addresses the needs of older adults in Maryland. Currently, one out of every four workers over 50 serve as a family caregiver, and access to paid family and medical leave is crucial for their financial security.[3]

Caring for an older family member can negatively impact an employee's work situation and health. Of caregivers who take time off, 48 percent report losing income.[4] In addition, caregivers experience elevated levels of stress, depression, and chronic disease. Older adults and caregivers should not have to choose between treating a serious health condition or caring for a family member and maintaining their economic security.

Therefore, we cannot delay Paid Family and Medical Leave any further and we ask for an unfavorable report on SB355.

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[1] US Census. 2018. American Community Survey.
[2] National Partnership for Women & Families. (2017, June). Our Aging, Caring Nation: Why a U.S. Paid Leave Plan Must Provide More Than Time to Care for New Children. Retrieved 20 December 2018, from http://www.nationalpartnership.org/caregivingrepor
[3] US Senate. Special Committee on Aging. America's Aging Workforce: Opportunities and Challenges. https://www.aging.senate.gov/imo/media/doc/Aging%20Workforce%20Report%20FINAL.pdf
[4] Families and Work Institute. http://familiesandwork.org/site/research/reports/elder_care.pdf

2.03 SB 355- Family and Medical Leave Insurance P
Uploaded by: Tonaeya Moore
Position: UNF

CASH CAMPAIGN OF MARYLAND

SB 355 - Commercial Law - Attachment of Wages Family and Medical Leave Insurance Program - Delay of Implementation
Senate Finance Committee
February 05, 2025
OPPOSE

Chair Beidle, Vice-Chair and members of the committee thank you for the opportunity to submit testimony in respectful opposition to Senate Bill 355. This bill will delay the implementation of the state's Family and Medical Leave Insurance (FAMLI) program.

The CASH Campaign of Maryland promotes economic advancement for low-to-moderate income individuals and families in Baltimore and across Maryland. CASH accomplishes its mission through operating a portfolio of direct service programs, building organizational and field capacity, and leading policy and advocacy initiatives to strengthen family economic stability. CASH and its partners across the state achieve this by providing free tax preparation services through the IRS program 'VITA', offering free financial education and coaching, and engaging in policy research and advocacy. **Almost 4,000 of CASH's tax preparation clients earn less than $10,000 annually. More than half earn less than $20,000.**

CASH is a part of the Time to Care Coalition, which is a group of organizations and individuals that advocated for the Time to Care Act of 2022 and continues to advocate for the administration of a comprehensive paid family and medical leave program in Maryland. Delaying the implementation of Maryland's FAMLI would delay protecting families from financial crisis from becoming sick or caring for a loved one.

The Time to Care Act was passed to address issues of some employees having to use unpaid leave to care for themselves or for a loved one, while others risk being fired for taking leave. When employees encounter health related hardships, they experience high levels of mental, emotional, and physical stress. This stress is increased by the demands of work and the inability to stop working to appropriately address concerns. Decision making, healing, and financial stability are compromised when employees do not have adequate options to navigate difficult times.

Maryland's Family and Medical Leave Insurance program will benefit individuals and families because it protects workers who need to stay home to care for themselves or family members. They will not lose vital income, which leaves low to moderate income families to face housing instability, accumulation of debt, and inability to build long-term wealth and assets. Our program ensures that employees can safely take time off, and that Maryland employees will not have to choose between their own or their family's health and maintaining their economic security.

For these reasons, we respectfully oppose SB 355 and urge an unfavorable report.

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SWASC - SB 355 - FAMLI Delay - UNF..pdf

Uploaded by: UM SWASC

Position: UNF

Social Work Advocates for Social Change
SWASC

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TESTIMONY IN OPPOSITION OF SENATE BILL 355

Family and Medical Leave Insurance Program – Delay of Implementation

Senate Finance Committee

February 5, 2025

Social Work Advocates for Social Change strongly opposes SB 355, which delays the implementation of the state's Family and Medical Leave Insurance (FAMLI) program by two years, unreasonably prolonging access to a benefit that millions of Marylanders need. SB 355 postpones the start of contribution collection to July 1, 2027, and the start of benefit claims to July 1, 2028.

Delaying implementation of the FAMLI program will harm Marylanders who are starting a family, caring for an aging loved one, returning from deployment, or treating serious medical conditions. If benefits were delayed until July 2028, over 324,000 Marylanders - who would have had access to paid leave if the program was implemented on time in 2026 - would instead have to make impossible choices between caring for themselves and their loved ones or paying their bills.[1] For reference, this amount of Marylanders would be able to fill every seat in the M&T Bank Stadium—four and a half times over. SWASC members work with Marylanders in a myriad of settings – assisting living facilities, homeless service providers, schools, hospitals, and behavioral health clinics – and we all have stories of individuals and families who struggled because they lacked access to paid leave. The General Assembly recognized in 2022 when passing the Time to Care Act that all Marylanders will need care or to provide care at some point in their lives, and it's incredibly harmful to delay Marylanders access to this benefit any longer.

Delaying implementation of the FAMLI program is counterproductive to supporting small businesses, ending poverty, and bolstering Maryland's economy. An Urban Institute study of Maryland's FAMLI program highlighted that small businesses in Maryland will receive a $98 million tax benefit, which is a compelling incentive to start a business in Maryland as it allows small businesses to compete with the benefits packages of large corporations.[2] The same study also calculated that Maryland will save about $28 million in spending on safety-net programs, as the FAMLI program can move families receiving benefits out of living in or near poverty. Implementing the FAMLI program will boost Maryland's economy – from lower spending on public assistance to

[1] The Jacob Institute, University of Baltimore. 2024. *Maryland Family and Medical Leave Insurance Program – Phase II: Analysis of Expected Program Claims and Administration Expense.* https://www.jacobfrance.org/wp-content/uploads/Phase-II-Final-Report-for-Task-2-01312024.pdf

[2] Urban Institute. September 2024. *Impact of Paid Family and Medical Leave in Maryland: an Analysis of the Maryland Family and Medical Leave Insurance Act. https://www.dol.gov/sites/dolgov/files/WB/pdf/ImpactPFMLMaryland.pdf*

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increased workforce participation rates - at a time when our state's economic growth is anemic.

Three other states that passed paid family and medical leave legislation after Maryland – Delaware, Minnesota, and Maine – will implement their programs before Maryland, leaving our residents behind. The first Time to Care Act was introduced in the General Assembly in 2019, and since 2022 when it finally passed, Marylanders have been waiting for the realization of a statewide family and medical leave program. We can't afford to delay the implementation timeline any longer. We all need time to care.

Social Work Advocates for Social Change urges an unfavorable report on SB 355.

Social Work Advocates for Social Change is a coalition of MSW students at the University of Maryland School of Social Work that seeks to promote equity and justice through public policy, and to engage the communities impacted by public policy in the policymaking process.

SB355_MD LABOR_INFORMATIONAL.docx.pdf
Uploaded by: Regan Vaughan
Position: INFO

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MARYLAND DEPARTMENT OF LABOR TESTIMONY ON SB 355

TO:	Finance Committee
FROM:	Maryland Department of Labor
DATE:	2/5/2025
BILL:	Family and Medical Leave Insurance Program - Delay of Implementation

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MDL POSITION: Informational

SB 355 proposes to delay the implementation of the Family and Medical Leave Insurance (FAMLI) Program for two years. The bill shifts back the start of collections, the issuance of benefits, and other relevant dates.

The Time to Care Act, which established FAMLI, was passed in 2022. FAMLI will ensure workers have paid family and medical leave to take time away from work, receive job protection, and earn up to $1000 a week for up to 12 weeks continuously or on an intermittent basis. The FAMLI system is designed to provide flexibility for employers to select a plan that works best for their companies and workers. When benefits become available, workers will receive job protection and partial wage replacement from either MD Labor's fund or their employer's private plan.

Since the establishment of the FAMLI Division within MD Labor in April 2023, MD Labor has focused on building the best system to ease administration for employers and efficiently deliver benefits for workers. Before contributions are first remitted, MD Labor is working towards:

- building agile digital systems;
- establishing bulk uploading capabilities for Third Party Administrators (TPAs);
- establishing secure banking capabilities;
- integrating digital and financial systems;

- raising awareness through regular webinars, presentations, canvassing main streets, and launching an extensive communications effort;
- standing up a call center; and
- partnering with our sister agencies and vendors to combat fraud and cyber attacks.

In FY23, FY24, and FY25, FAMLI's administrative costs were funded through a mix of ARPA dollars, the dedicated purpose account, and general funds. The current FY2026 operational budget for FAMLI plans to rely on contributions beginning on July 1, 2025. The budget allocation consists of obligated ARPA funds and the newly established FAMLI Trust Fund, which would contain new funds collected in FY26 from FAMLI contributions. SB 355 would delay contribution collections and therefore would remove the planned source of administrative funding for FAMLI in FY26 and FY27. An alternative budget source would be required to continue implementation efforts for FY26 and FY27.

The Department respectfully requests the Committee consider this information on SB 355.

For questions, please contact Andrew Fulginiti, at Andrew.Fulginiti@maryland.gov.