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. 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. 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

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



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