

SENATE BILL 355

K3

5lr2607

By: **Senator Hershey**

Introduced and read first time: January 16, 2025

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Family and Medical Leave Insurance Program – Delay of Implementation**

3 FOR the purpose of altering the dates on which the payment of contributions and the
4 submission of claims for benefits are to begin under the Family and Medical Leave
5 Insurance Program; and generally relating to the Family and Medical Leave
6 Insurance Program.

7 BY repealing and reenacting, with amendments,
8 Article – Labor and Employment
9 Section 8.3–601(a)(1), (b), (c)(1), and (d), 8.3–701(a)(1), and 8.3–703(b)(3) and (4) and
10 (e)(2)
11 Annotated Code of Maryland
12 (2016 Replacement Volume and 2024 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – Labor and Employment**

16 8.3–601.

17 (a) (1) Beginning July 1, **[2025] 2027**, each employee of an employer, each
18 employer with 15 or more employees, and each self-employed individual participating in
19 the Program shall contribute to the Fund.

20 (b) (1) Subject to subsection (a)(2) of this section, on or before February 1,
21 **[2025] 2027**, the Secretary shall set the total rate of contribution based on available cost
22 analyses of the Program.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2) The rate set under paragraph (1) of this subsection shall be in effect for the period from July 1, **[2025] 2027**, to June 30, **[2026] 2028**, both inclusive.

(c) (1) On or before November 15 each year, beginning in **[2026] 2028**, the Secretary shall conduct a cost analysis of the Program that is focused on the cost of maintaining solvency and paying benefits to covered individuals that will be used to determine the appropriate total rate of contribution to the Fund.

(d) (1) Subject to paragraph (2) of this subsection and subsection (a)(2) of this section, on or before February 1 each year, beginning in **[2026] 2028**, the Secretary shall set the total rate of contribution that will be in effect for the 12-month period beginning on the immediately following July 1.

(2) The rate set under paragraph (1) of this subsection shall be based on the cost analysis required under subsection (c) of this section.

8.3–701.

(a) (1) Subject to paragraph (2) of this subsection, beginning July 1, **[2026] 2028**, a covered individual taking leave from employment may submit a claim for benefits:

(i) 1. to care for a newborn child of the covered individual during the first year after the child's birth; or

2. because a child is being placed for adoption, foster care, or kinship care with the covered individual or to care for or bond with the child during the first year after the placement;

(ii) to care for a family member with a serious health condition;

(iii) to attend to a serious health condition that results in the covered individual being unable to perform the functions of the covered individual's position;

(iv) to care for a service member with a serious health condition resulting from military service for whom the covered individual is next of kin; or

(v) to attend to a qualifying exigency arising out of the deployment of a service member who is a family member of the covered individual.

8.3–703.

(b) (3) The weekly benefit amount payable under paragraph (1) of this subsection:

(i) shall be at least \$50; and

(ii) may not exceed:

1 1. for the 6-month period beginning July 1, [2026] **2028**,
2 \$1,000; and

3 2. for the 12-month period beginning January 1, [2027]
4 **2029**, and each subsequent 12-month period, the amount determined and announced by
5 the Secretary under paragraph (4) of this subsection.

6 (4) (i) In this paragraph, “Consumer Price Index” means the Consumer
7 Price Index for All Urban Consumers for the Washington–Arlington–Alexandria,
8 DC–VA–MD–WV metropolitan area or a successor index published by the federal Bureau
9 of Labor Statistics.

10 (ii) Subject to subsection (e) of this section, for the 12-month period
11 beginning January 1, [2027] **2029**, and each subsequent 12-month period, the maximum
12 weekly benefit amount shall be increased by the amount, rounded to the nearest cent, that
13 equals the product of:

14 1. the maximum weekly benefit amount in effect for the
15 immediately preceding 12-month period; and

16 2. the annual percentage growth in the Consumer Price
17 Index for the immediately preceding 12-month period, as determined by the Secretary
18 under subparagraph (iii)1 of this paragraph.

19 (iii) Beginning September 1, [2026] **2028**, and on each subsequent
20 September 1, the Secretary shall determine and announce:

21 1. the annual percentage growth, if any, in the Consumer
22 Price Index based on the most recent 12-month period for which data are available on
23 September 1; and

24 2. the maximum weekly benefit amount effective for the
25 12-month period beginning the immediately following January 1.

26 (e) (2) Subject to paragraph (4) of this subsection, on or before September 1
27 each year, beginning in [2026] **2028**, the Board shall determine whether the seasonally
28 adjusted total employment from the Current Employment Statistics series as reported by
29 the U.S. Bureau of Labor Statistics for the most recent 6-month period is negative as
30 compared with the immediately preceding 6-month period.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 October 1, 2025.