

HOUSE BILL 824

K3, P4, L6

5lr0859

By: **Delegate Stewart**

Introduced and read first time: January 29, 2025

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Family and Medical Leave Insurance Program – Covered Individuals –**
3 **Alternatively Qualified Individuals**

4 FOR the purpose of altering the Family and Medical Leave Insurance Program to provide
5 benefits to alternatively qualified individuals who care for or bond with a child under
6 certain circumstances; altering the date that the Secretary of Labor is required to
7 begin conducting certain cost analyses of the Program; requiring that an employer
8 allow an alternatively qualified individual who is receiving benefits under the
9 Program to take certain unpaid leave from employment; and generally relating to
10 the Family and Medical Leave Insurance Program.

11 BY repealing and reenacting, with amendments,
12 Article – Labor and Employment
13 Section 8.3–101, 8.3–302, 8.3–601(c), 8.3–701(a), 8.3–702, 8.3–703(a), and 8.3–705
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2024 Supplement)

16 BY adding to
17 Article – Labor and Employment
18 Section 8.3–703.1
19 Annotated Code of Maryland
20 (2016 Replacement Volume and 2024 Supplement)

21 BY repealing and reenacting, without amendments,
22 Article – Labor and Employment
23 Section 8.3–706
24 Annotated Code of Maryland
25 (2016 Replacement Volume and 2024 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Labor and Employment

8.3–101.

(a) In this title the following words have the meanings indicated.

(b) **“ALTERNATIVELY QUALIFIED INDIVIDUAL” MEANS AN EMPLOYEE OR AN UNEMPLOYED INDIVIDUAL WHO:**

(1) HAS EARNED AT LEAST \$7,200 IN TOTAL LIFETIME WAGES IN THE STATE;

(2) DOES NOT MEET THE REQUIREMENTS TO BE CONSIDERED A COVERED EMPLOYEE OR A SELF-EMPLOYED INDIVIDUAL WHO ELECTS TO PARTICIPATE IN THE PROGRAM UNDER § 8.3–201 OF THIS TITLE; AND

(3) IS NOT ELIGIBLE FOR OR RECEIVING BENEFITS IN ANOTHER STATE THAT ARE COMPARABLE OR EQUIVALENT TO BENEFITS PROVIDED UNDER THIS TITLE.

(C) “Application year” means the 12-month period beginning on the Sunday of the calendar week for which benefits are approved.

[(c)] (D) “Benefits” means the money payable under this title to a covered individual.

[(d)] (E) “Covered employee” means an employee who has worked at least 680 hours performing services under employment located in the State over the four most recently completed calendar quarters for which quarterly reports have been required immediately preceding the date on which leave is to begin.

[(e)] (F) “Covered individual” means:

(1) a covered employee [or];

(2) a self-employed individual who elects to participate in the Program under § 8.3–201 of this title; OR

(3) AN ALTERNATIVELY QUALIFIED INDIVIDUAL.

[(f)] (G) “Department” means the Maryland Department of Labor.

[(g)] (H) “Deployment” means a service member acting under official orders who, on any day, is performing service in a training exercise or operation at a location or under

1 circumstances that make it impossible or infeasible for the service member to spend
2 off-duty time in the housing in which the service member resides when on garrison duty
3 at the service member's permanent duty station or homeport.

4 **[(h)] (I)** (1) "Employer" means a person or governmental entity that employs
5 at least one individual in the State.

6 (2) "Employer" does not include an individual who:

7 (i) is the sole owner of a sole proprietorship, limited liability
8 company, C corporation, or S corporation; and

9 (ii) is the only individual employed by the sole proprietorship,
10 limited liability company, C corporation, or S corporation.

11 **[(i)] (J)** "Family member" means:

12 (1) a biological child, an adopted child, a foster child, or a stepchild of the
13 covered individual;

14 (2) a child for whom the covered individual has legal or physical custody or
15 guardianship;

16 (3) a child for whom the covered individual stands in loco parentis,
17 regardless of the child's age;

18 (4) a biological parent, an adoptive parent, a foster parent, or a stepparent
19 of the covered individual or of the covered individual's spouse;

20 (5) the legal guardian of the covered individual or the ward of the covered
21 individual or of the covered individual's spouse;

22 (6) an individual who acted as a parent or stood in loco parentis to the
23 covered individual or the covered individual's spouse when the covered individual or the
24 covered individual's spouse was a minor;

25 (7) the spouse of the covered individual;

26 (8) a domestic partner of the covered individual;

27 (9) a biological grandparent, an adopted grandparent, a foster
28 grandparent, or a stepgrandparent of the covered individual;

29 (10) a biological grandchild, an adopted grandchild, a foster grandchild, or a
30 stepgrandchild of the covered individual; or

(11) a biological sibling, an adopted sibling, a foster sibling, or a stepsibling of the covered individual.

~~[(j)]~~ **(K)** “Fund” means the Family and Medical Leave Insurance Fund established under § 8.3–501 of this title.

~~[(k)]~~ **(L)** “Governmental entity” has the meaning stated in § 8–101 of this article.

~~[(l)]~~ **(M)** “Program” means the Family and Medical Leave Insurance Program established under § 8.3–301 of this title.

~~[(m)]~~ **(N)** “Qualifying exigency” means any of the following reasons for which leave may be needed by a family member of a service member:

(1) because the service member has received notice of deployment within 7 days before the deployment is to begin;

(2) to attend military events and related activities including family support programs related to the active duty of the service member;

(3) to arrange, provide, or attend child care or school activities only when the service member is on active duty call or active duty status;

(4) to make financial and legal arrangements for the service member’s absence or because of the absence;

(5) to attend counseling that:

(i) is needed due to the active duty or call to active duty status of the service member; and

(ii) is provided by an individual who is not a licensed health care provider;

(6) to spend up to 15 calendar days with a service member who is on short-term temporary rest and recuperation leave during the period of deployment;

(7) to attend postdeployment activities including reintegration services for a period of 90 days immediately following the termination of active status;

(8) to attend to matters related to the death of the service member while on active duty status;

(9) to arrange for or provide alternative care for a parent of the service member when the parent is incapable of self-care and the covered active duty or call to active duty necessitates a change; or

(10) because of any other issues that arise out of active duty or a call to active duty that an employer and covered employee agree should be covered.

[(n)] (O) “Secretary” means the Secretary of Labor.

[(o)] (P) (1) “Serious health condition” means an illness, an injury, an impairment, or a physical or mental condition that involves:

(i) inpatient care in a hospital, hospice, or residential health care facility;

(ii) continued treatment by a licensed health care provider; or

(iii) continued treatment or supervision at home by a licensed health care provider or other competent individual under the supervision of a licensed health care provider.

(2) “Serious health condition” includes an illness, an injury, an impairment, or a physical or mental condition described in paragraph (1) of this subsection that continues over an extended period of time and requires intermittent treatment.

[(p)] (Q) “Service member” means an individual who is an active duty or former member of:

(1) the United States armed forces;

(2) a reserve component of the United States armed forces; or

(3) the National Guard of any state.

[(q)] (R) “Treatment” includes:

(1) examinations or testing to determine the extent to which a serious health condition exists or persists;

(2) ongoing or periodic evaluations of the serious health condition; and

(3) actual treatment by a health care provider.

[(r)] (S) “Wages” means all compensation that is due for employment that is:

(1) for an employee, wages as defined in § 8–101 of this article; or

(2) for a self-employed individual:

(i) self-employment income, as defined in 26 U.S.C. § 1402(b); or

(ii) wages, as defined in § 8–101 of this article, earned from a C corporation or an S corporation if the income, pay, or leave is paid to the owner who is the sole employee of a C corporation or an S corporation.

8.3–302.

The purpose of the Program is to provide temporary benefits to:

(1) a covered individual DESCRIBED UNDER § 8.3–101(F)(1) OR (2) OF THIS TITLE who is taking leave from employment:

[(1)] (i) 1. to care for or bond with a child of the covered individual during the first year after the child’s birth; or

[(ii)] 2. during the process through which a child is being placed with the covered individual through foster care, kinship care, or adoption and to care for and bond with the child during the first year after the placement;

[(2)] (II) to care for a family member with a serious health condition;

[(3)] (III) because the covered individual has a serious health condition that results in the covered individual being unable to perform the functions of the covered individual’s position;

[(4)] (IV) to care for a service member for whom the covered individual is next of kin; or

[(5)] (V) because the covered individual has a qualifying exigency arising out of the deployment of a service member who is a family member of the covered individual; **OR**

(2) A COVERED INDIVIDUAL DESCRIBED UNDER § 8.3–101(F)(3) OF THIS TITLE WHO IS UNEMPLOYED OR TAKING LEAVE FROM EMPLOYMENT:

(I) TO CARE FOR OR BOND WITH A CHILD OF THE COVERED INDIVIDUAL DURING THE FIRST YEAR AFTER THE CHILD’S BIRTH; OR

(II) DURING THE PROCESS THROUGH WHICH A CHILD IS BEING PLACED WITH THE COVERED INDIVIDUAL THROUGH FOSTER CARE, KINSHIP CARE, OR ADOPTION AND THE COVERED INDIVIDUAL IS CARING FOR AND BONDING WITH THE CHILD DURING THE FIRST YEAR AFTER THE PLACEMENT.

8.3–601.

(c) (1) On or before November 15 each year, beginning in [2026] **2025**, 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.

(2) On or before November 15 each year, the Secretary shall report the results of the cost analysis to the Senate Finance Committee, the House Economic Matters Committee, and the Joint Committee on Administrative, Executive, and Legislative Review in accordance with § 2–1257 of the State Government Article.

8.3–701.

(a) (1) **(I) THIS PARAGRAPH DOES NOT APPLY TO A COVERED INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL.**

(II) Subject to paragraph [(2)] **(3)** of this subsection, beginning July 1, 2026, a covered individual taking leave from employment may submit a claim for benefits:

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

[2.] B. 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)] 2. to care for a family member with a serious health condition;

[(iii)] 3. 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)] 4. 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)] 5. to attend to a qualifying exigency arising out of the deployment of a service member who is a family member of the covered individual.

(2) **BEGINNING JULY 1, 2027, A COVERED INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL MAY SUBMIT A CLAIM FOR BENEFITS:**

(I) TO CARE FOR A NEWBORN CHILD OF THE COVERED INDIVIDUAL DURING THE FIRST YEAR AFTER THE CHILD'S BIRTH; OR

(II) 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.

(3) (i) Except as provided under subparagraph (ii) of this paragraph, if the need to use leave is foreseeable, an employer may require a covered employee taking leave under this title to provide the employer with written notice of the covered employee's intention to take leave at least 30 days before commencing the leave.

(ii) If the need to use leave is not foreseeable, the covered employee shall:

1. provide notice to the employer as soon as practicable; and

2. generally comply with the employer's notice or procedural requirements for requesting or reporting other leave, if those requirements do not interfere with the covered employee's ability to use leave for which benefits may be paid under this title.

8.3-702.

(a) (1) THIS SUBSECTION DOES NOT APPLY TO A COVERED INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL.

(2) Except as provided in paragraph [(2)] (3) of this subsection, a covered individual may not receive more than 12 weeks of benefits in an application year.

[(2)] (3) A covered individual may receive an additional 12 weeks of benefits if the covered individual during the same application year:

(i) 1. received benefits because the covered individual was eligible for benefits under [§ 8.3-701(a)(1)(i)] § 8.3-701(A)(1)(II)1 of this subtitle; and

2. becomes eligible for benefits under [§ 8.3-701(a)(1)(iii)] § 8.3-701(A)(1)(II)3 of this subtitle; or

(ii) 1. received benefits because the covered individual was eligible for benefits under [§ 8.3-701(a)(1)(iii)] § 8.3-701(A)(1)(II)3 of this subtitle; and

2. becomes eligible for benefits under [§ 8.3-701(a)(1)(i)] § 8.3-701(A)(1)(II)1 of this subtitle.

(b) (1) A COVERED INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL MAY NOT RECEIVE MORE THAN ONE BENEFIT PAYMENT PER APPLICATION YEAR.

1 **(2)** A COVERED INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED
2 INDIVIDUAL MAY RECEIVE ANOTHER BENEFIT PAYMENT IN A SUBSEQUENT
3 APPLICATION YEAR IF THE COVERED INDIVIDUAL HAS ACCUMULATED AN
4 ADDITIONAL \$7,200 IN WAGES IN THE STATE SINCE RECEIVING A BENEFIT PAYMENT
5 IN THE IMMEDIATELY PRECEDING APPLICATION YEAR.

6 **(3)** THE DEPARTMENT MAY NOT DENY A COVERED INDIVIDUAL WHO
7 IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL BENEFITS UNDER THIS TITLE ON THE
8 BASIS THAT ANOTHER COVERED INDIVIDUAL IS ELIGIBLE FOR OR RECEIVING
9 BENEFITS UNDER THIS TITLE FOR THE SAME CHILD WITH RESPECT TO WHOM THE
10 ALTERNATIVELY QUALIFIED INDIVIDUAL WOULD RECEIVE THE BENEFITS.

11 **(4) (I)** SUBJECT TO § 8.3-706 OF THIS SUBTITLE, IF THE COVERED
12 INDIVIDUAL IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL, IS EMPLOYED, AND IS
13 APPROVED FOR BENEFITS UNDER THIS TITLE, THE EMPLOYER OF THE COVERED
14 INDIVIDUAL SHALL ALLOW THE COVERED INDIVIDUAL TO TAKE UP TO 6 WEEKS OF
15 UNPAID LEAVE FROM EMPLOYMENT FOR THE PURPOSE FOR WHICH BENEFITS WERE
16 APPROVED.

17 **(II)** IF AN EMPLOYER PROVIDES PAID LEAVE TO A COVERED
18 INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL, THE EMPLOYER
19 MAY REQUIRE, OR THE INDIVIDUAL MAY ELECT, TO SUBSTITUTE THE PAID LEAVE
20 FOR ANY PART OF OR ALL OF THE PERIOD OF LEAVE REQUIRED UNDER
21 SUBPARAGRAPH (I) OF THIS PARAGRAPH.

22 **(C)** If a covered individual takes leave for which the covered individual is receiving
23 benefits under this title, the leave shall run concurrently with eligible leave that may be
24 taken by the covered individual under the federal Family and Medical Leave Act.

25 **[(c)] (D)** The Department may count the leave taken under the federal Family
26 and Medical Leave Act against a covered individual's maximum duration of leave for which
27 benefits are available under this title in an application year for the same purpose, if:

28 (1) an employer designates a period of leave as covered by the federal
29 Family and Medical Leave Act for a covered individual who would also qualify for benefits
30 under § 8.3-302 of this title;

31 (2) the employer informs the covered individual of the individual's
32 eligibility for benefits under this title; and

33 (3) the employee declines to apply for benefits under this title.

1 [(d)] (E) (1) A covered individual may not be required to use or exhaust paid
2 vacation, paid sick leave, or other paid time off under an employer policy before, or while,
3 receiving benefits under this title.

4 (2) A covered individual and an employer may agree to use paid vacation,
5 paid sick leave, or other paid time off while a covered individual is receiving benefits
6 available under this title to replace the covered individual's wages up to 100% of the covered
7 individual's average weekly wage during the period of leave for which benefits are received
8 under this title.

9 (3) Notwithstanding paragraph (1) of this subsection, an employer may
10 require that benefit payments under this title be made concurrently, or otherwise
11 coordinated with payments made or leave that is allowed under the terms of a separate
12 employer-provided leave policy due to parental care, family care, or military leave or under
13 a disability policy.

14 (4) This subsection may not be construed to reduce any weeks of leave for
15 which benefits may be paid under this title.

16 [(e)] (F) (1) Except as provided in paragraph (2) of this subsection, an
17 individual receiving benefits under Title 8 of this article or wage replacement benefits
18 under Title 9 of this article is not eligible to receive benefits under this title.

19 (2) An individual receiving compensation for a permanent partial disability
20 under Title 9 of this article may be eligible for benefits under this title.

21 8.3-703.

22 (a) (1) **THIS SECTION DOES NOT APPLY TO A COVERED INDIVIDUAL WHO**
23 **IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL.**

24 (2) For the purposes of this section:

25 [(1)] (I) the covered individual's average weekly wage shall be calculated
26 as the total wages received by the covered individual in the highest of the previous four
27 completed calendar quarters for which quarterly reports have been required, divided by 13;
28 and

29 [(2)] (II) the State average weekly wage shall be the wage calculated
30 under § 9-603 of this article.

31 **8.3-703.1.**

32 (A) **THIS SECTION APPLIES ONLY TO A COVERED INDIVIDUAL WHO IS AN**
33 **ALTERNATIVELY QUALIFIED INDIVIDUAL.**

1 **(B) (1) THE BENEFIT AMOUNT PAYABLE TO A COVERED INDIVIDUAL**
2 **UNDER THIS TITLE SHALL BE A ONE-TIME PAYMENT DURING THE APPLICATION**
3 **YEAR OF:**

4 **(I) FOR THE 6-MONTH PERIOD BEGINNING JULY 1, 2027,**
5 **\$2,000; AND**

6 **(II) FOR THE 12-MONTH PERIOD BEGINNING JANUARY 1, 2028,**
7 **AND EACH SUBSEQUENT 12-MONTH PERIOD, THE AMOUNT DETERMINED AND**
8 **ANNOUNCED BY THE SECRETARY UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION.**

9 **(2) (I) IN THIS PARAGRAPH, “CONSUMER PRICE INDEX” MEANS**
10 **THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS FOR THE**
11 **WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD-WV METROPOLITAN AREA**
12 **OR A SUCCESSOR INDEX PUBLISHED BY THE FEDERAL BUREAU OF LABOR**
13 **STATISTICS.**

14 **(II) SUBJECT TO SUBSECTION (E) OF THIS SECTION, FOR THE**
15 **12-MONTH PERIOD BEGINNING JANUARY 1, 2028, AND EACH SUBSEQUENT**
16 **12-MONTH PERIOD, THE BENEFIT AMOUNT PAYABLE UNDER THIS SECTION SHALL**
17 **BE INCREASED BY THE AMOUNT, ROUNDED TO THE NEAREST CENT, THAT EQUALS**
18 **THE PRODUCT OF:**

19 **1. THE BENEFIT AMOUNT IN EFFECT FOR THE**
20 **IMMEDIATELY PRECEDING 12-MONTH PERIOD; AND**

21 **2. THE ANNUAL PERCENTAGE GROWTH IN THE**
22 **CONSUMER PRICE INDEX FOR THE IMMEDIATELY PRECEDING 12-MONTH PERIOD,**
23 **AS DETERMINED BY THE SECRETARY UNDER SUBPARAGRAPH (III)1 OF THIS**
24 **PARAGRAPH.**

25 **(III) BEGINNING SEPTEMBER 1, 2027, AND ON EACH**
26 **SUBSEQUENT SEPTEMBER 1, THE SECRETARY SHALL DETERMINE AND ANNOUNCE:**

27 **1. THE ANNUAL PERCENTAGE GROWTH, IF ANY, IN THE**
28 **CONSUMER PRICE INDEX BASED ON THE MOST RECENT 12-MONTH PERIOD FOR**
29 **WHICH DATA ARE AVAILABLE ON SEPTEMBER 1; AND**

30 **2. THE BENEFIT AMOUNT EFFECTIVE FOR THE**
31 **12-MONTH PERIOD BEGINNING THE IMMEDIATELY FOLLOWING JANUARY 1.**

1 **(C) AN INCREASE IN THE BENEFIT AMOUNT UNDER SUBSECTION (B)(2) OF**
2 **THIS SECTION APPLIES ONLY TO A CLAIM FOR BENEFITS THAT BEGINS AFTER THE**
3 **DATE THE INCREASE BECOMES EFFECTIVE.**

4 **(D) THE DEPARTMENT SHALL:**

5 **(1) IF THE COVERED INDIVIDUAL IS EMPLOYED, NOTIFY THE**
6 **EMPLOYER OF A COVERED INDIVIDUAL WITHIN 5 BUSINESS DAYS AFTER THE**
7 **COVERED INDIVIDUAL FILES A COMPLETED APPLICATION FOR BENEFITS UNDER**
8 **THIS TITLE;**

9 **(2) NOTIFY THE COVERED INDIVIDUAL WITHIN 5 BUSINESS DAYS**
10 **AFTER THE INDIVIDUAL FILES AN APPLICATION, IF THE APPLICATION IS**
11 **CONSIDERED TO BE INCOMPLETE UNDER § 8.3-701(B)(2) OF THIS SUBTITLE DUE TO**
12 **MISSING INFORMATION THAT IS NECESSARY TO COMPLETE THE CLAIM;**

13 **(3) APPROVE OR DENY THE CLAIM AND NOTIFY THE COVERED**
14 **INDIVIDUAL AND THE COVERED INDIVIDUAL'S EMPLOYER WITHIN 10 BUSINESS**
15 **DAYS AFTER THE COVERED INDIVIDUAL FILES THE COMPLETED APPLICATION; AND**

16 **(4) MAKE THE PAYMENT OF BENEFITS TO A COVERED INDIVIDUAL**
17 **WITHIN 5 BUSINESS DAYS AFTER THE COMPLETED APPLICATION IS APPROVED OR,**
18 **IF THE COVERED INDIVIDUAL IS EMPLOYED, THE LEAVE HAS STARTED, WHICHEVER**
19 **IS LATER.**

20 **(E) (1) IN THIS SUBSECTION, "BOARD" MEANS THE BOARD OF PUBLIC**
21 **WORKS.**

22 **(2) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, ON OR**
23 **BEFORE SEPTEMBER 1 EACH YEAR, BEGINNING IN 2027, THE BOARD SHALL**
24 **DETERMINE WHETHER THE SEASONALLY ADJUSTED TOTAL EMPLOYMENT FROM**
25 **THE CURRENT EMPLOYMENT STATISTICS SERIES AS REPORTED BY THE U.S.**
26 **BUREAU OF LABOR STATISTICS FOR THE MOST RECENT 6-MONTH PERIOD IS**
27 **NEGATIVE AS COMPARED WITH THE IMMEDIATELY PRECEDING 6-MONTH PERIOD.**

28 **(3) (I) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, THE**
29 **BOARD MAY TEMPORARILY SUSPEND AN INCREASE IN THE BENEFIT SPECIFIED**
30 **UNDER SUBSECTION (B)(2)(II) OF THIS SECTION IF THE BOARD DETERMINED UNDER**
31 **PARAGRAPH (2) OF THIS SUBSECTION THAT THE SEASONALLY ADJUSTED TOTAL**
32 **EMPLOYMENT IS NEGATIVE.**

33 **(II) IF THE SEASONALLY ADJUSTED TOTAL EMPLOYMENT IS**
34 **NEGATIVE, THE BOARD MAY CONSIDER THE PERFORMANCE OF STATE REVENUES IN**

1 THE IMMEDIATELY PRECEDING 6 MONTHS, AS REPORTED BY THE OFFICE OF THE
2 COMPTROLLER, IN DETERMINING WHETHER TO TEMPORARILY SUSPEND AN
3 INCREASE TO THE BENEFIT SPECIFIED UNDER SUBSECTION (B)(2)(II) OF THIS
4 SECTION.

5 (4) IF THE BOARD TEMPORARILY SUSPENDS AN INCREASE TO THE
6 BENEFIT SPECIFIED UNDER SUBSECTION (B)(1) OF THIS SECTION:

7 (I) THE BENEFIT IN EFFECT FOR THE PERIOD BEGINNING THE
8 FOLLOWING JANUARY 1 SHALL REMAIN THE SAME AS THE RATE THAT WAS IN
9 EFFECT FOR THE IMMEDIATELY PRECEDING 12-MONTH PERIOD; AND

10 (II) THE BOARD SHALL NOTIFY THE SECRETARY THAT THE
11 BENEFIT INCREASE FOR THE PERIOD BEGINNING THE FOLLOWING JANUARY 1 IS
12 SUSPENDED FOR 1 YEAR.

13 (F) THE DEPARTMENT SHALL NOTIFY EACH EMPLOYER OF THE INCREASE
14 TO THE BENEFIT SPECIFIED UNDER SUBSECTION (B)(2)(II) OF THIS SECTION.

15 8.3-705.

16 (a) (1) An employer authorized by the Secretary may satisfy the requirements
17 of this title through a private employer plan consisting of employer-provided benefits or
18 insurance through an insurer that holds a certificate of authority issued by the Maryland
19 Insurance Commissioner if the private employer plan is provided to all of the employer's
20 eligible employees and meets or exceeds the rights, protections, and benefits provided to a
21 covered employee under this title.

22 (2) (i) To determine the benefit amount under a private employer plan,
23 the weekly benefit amount shall be based on the average weekly wage earned from the
24 employer sponsoring the private employer plan.

25 (ii) Notwithstanding subparagraph (i) of this paragraph, if an
26 individual has worked less than 680 hours for the employer sponsoring the private
27 employer plan, the weekly benefit amount shall be based on the average weekly wage under
28 § 8.3-703(a) of this subtitle.

29 (iii) This subsection may not be construed to prevent a private
30 employer plan from providing a benefit that is greater than that provided in § 8.3-703(a)
31 of this subtitle.

32 (b) (1) A private employer plan shall be filed with the Department for
33 approval.

(2) (i) The Secretary shall establish reasonable criteria for determining which employers are authorized to meet the requirements of this title through employer-provided benefits.

(ii) The criteria established under subparagraph (i) of this paragraph may include the employer's:

1. number of employees;
2. capitalization;
3. bondedness; and
4. status as a government employer.

(3) The Department may adopt regulations that establish reasonable application and application renewal fees for private employer plans under this section.

(4) THE SECRETARY SHALL ADOPT REGULATIONS REGARDING THE ESTABLISHMENT OF PRIVATE EMPLOYER PLANS WITH RESPECT TO BENEFITS PAID TO A COVERED INDIVIDUAL WHO IS AN ALTERNATIVELY QUALIFIED INDIVIDUAL.

(c) An employer that provides covered employees with a private employer plan and an employee that is covered by a private employer plan are exempt from the contributions required under Subtitle 6 of this title.

(d) An employer that provides a private employer plan may not deduct from an employee more than 50% of the contribution amount set by the Department under § 8.3-601(b) of this title.

8.3-706.

(a) This section does not apply to an employer who is an individual with a developmental disability, and who self-directs services under the Maryland Medicaid Home- and Community-Based Services Waiver Program.

(b) Except as provided in subsection (c)(2) of this section, if a covered individual receives benefits under this title or takes leave from work for which benefits may be paid under this title, the employer of the covered individual shall, on the expiration of the leave, restore the covered individual to an equivalent position of employment.

(c) An employer may:

(1) during a period of leave from work for which benefits may be paid under this title, terminate employment of the covered individual taking the leave only for cause; and

1 (2) deny restoration of a covered individual's position of employment under
2 subsection (b) of this section if:

3 (i) the denial is necessary to prevent substantial and grievous
4 economic injury to the operations of the employer;

5 (ii) the employer notifies the covered individual of the intent of the
6 employer to deny restoration of the covered individual's position of employment at the time
7 the employer determines the economic injury would occur; and

8 (iii) if the leave has already begun in a case of leave from work for
9 which benefits may be paid under this title, the covered individual elects not to return to
10 employment after receiving notice of the employer's intention to deny restoration of the
11 covered individual's position of employment.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
13 1, 2025.