



**House Bill 496 -- *Labor and Employment - Family and Medical Leave Insurance Program – Establishment*
House Economic Matters Committee
February 15, 2022
Oppose**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes House Bill 496 -- *Labor and Employment - Family and Medical Leave Insurance Program - Establishment*).

While MCCC applauds the good intentions of the bill, House Bill 8 will increase costs for Maryland's employers and have the unintended consequence of making Maryland less competitive than surrounding and competitor states who do not have this requirement. This issue should be addressed by the U.S. Congress to ensure that all states are on a level playing field.

MCCC has a track record of supporting enhanced employee benefits. As an example, MCCC has led an effort on the local level in Montgomery County to implement a program that provides matching grants for childcare costs through dependent flexible spending accounts. At the same time, the marketplace for talent has grown much more competitive and is already resulting in employers offering a menu of enhanced benefits. Policymakers should first consider allowing family and medical leave benefits to be offered on a voluntary basis.

MCCC contends that this legislation fails to appropriately understand the economic realities faced today, which have been exacerbated by the pandemic. Additionally, in recent years the Maryland General Assembly has passed legislation requiring businesses to provide paid sick leave and increase the minimum wage to \$15 per hour. While both are important supports for employees and Maryland's workforce, MCCC is concerned that the addition of an employer supported family and medical leave program requirement is too much, too soon. Businesses must be given time to absorb prior legislation and its impact to their bottom line.

MCCC also asserts that the implementation of this legislation will result in additional costs and administrative burden to small businesses. We consistently express concerns when proposals such as this are applied to small businesses without consideration for the difference in burden for them versus large employers.

For these reasons, the Montgomery County Chamber of Commerce opposes House Bill 496 and respectfully requests an unfavorable report.

The Montgomery County Chamber of Commerce, on behalf of our nearly 500 members, advocates for growth in business opportunities, strategic investment in infrastructure, and balanced tax reform to advance Metro Maryland as a regional, national, and global location for business success. Established in 1959, MCCC is an independent non-profit membership organization and a proud Montgomery County Green Certified Business.

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