

Maryland Passes Time to Care Act for Paid Leave

AN UPDATE ON NEW LEGISLATION

If you have employees that reside in Maryland, you should be aware that paid leave legislation has recently been enacted. The first stage of the implementation process starts in 2023.

BACKGROUND

Despite the Governor's veto, Maryland now joins 9 states and the District of Columbia that have enacted a paid leave program for employees with the passage of the Time to Care Act.

The bill provides employees up to 12 weeks of partially paid leave for specified personal family circumstances such as:

- 1) Care of a sick relative
- 2) Welcoming a new child
- 3) Dealing with a military deployment

The bill also includes employee job protections from retaliation or termination for using leave. Both full and part time employees who have worked 680 hours within a 12-month period are eligible.

The law and contribution requirements apply to both for profit and not for profit employers with 15 or more employees. There are also special provisions for self-employed individuals as well as employees in small firms of less than 15. The Maryland Secretary of Labor will establish the Maryland Family and Medical Leave Insurance Fund by June 1, 2023. Funding of the pool is set to start on October 1, 2023, with the first benefits payable on January 1, 2025. Exemptions may be available for employers if they provide eligible employees with benefits that meets or exceeds the benefits and protections under the Act.

NEXT STEPS

If you have employees that reside in Maryland, reach out to your FMLA vendor or internal FMLA administrator, and discuss their action plan to comply with this upcoming legislation.

Optimum's team of HR vendor management experts can support you to ensure compliance with all HR related regulations. We partner with your internal HR department, FMLA vendor and/or ERISA Counsel (or should you need it, manage the appropriate vendor selection and onboarding) to deliver a sound compliance foundation and provide on-going monitoring for new regulations. We create and effectuate a compliance roadmap and address any compliance or other HR process, policy, vendor or system issues, should they arise.

ABOUT OPTIMUM

Optimum is a vendor management firm that focuses exclusively on the HR supply chain with turnkey solutions that improve the financial, operating performance, transparency and accountability of HR Benefit programs while still maintaining existing vendor relationships.

Our support of the HR workstream during the M&A lifecycle encompasses operational due diligence, day-one readiness and post day-one synergies. We assist sponsors in leveraging the aggregate purchasing power of their portfolio to capture value and drive margin expansion.