



Maryland - Leave Highlights

<p>What is the Update?</p>	<p>Maryland recently passed a new paid family and medical leave law, the Time to Care Act, with updates after the passing of Senate Bill 828. Here is what we know about the law thus far:</p> <p>Update (4/26/24):</p> <ul style="list-style-type: none"> - The law rollout and benefits under the program will become available to covered employees on 07/01/2026. Previously, the effective date was scheduled for 01/01/26. - The law applies to employers with at least one employee in Maryland. - Employees will qualify if they work 680 hours for any employer in the state in the 12-month period prior to the start of a leave. - They will be eligible to receive up to 12 weeks of paid leave for parental, family care, medical, military service member care, and qualifying exigency leave. Plus, an additional 12 weeks of paid leave when an employee requires both medical and parental leave. A birthing parent, for example, who is disabled due to their pregnancy could receive up to 12 weeks of medical leave and have an additional 12 weeks to bond with their child. - Leave is generally job-protected, and maintenance of group health insurance benefits is required. - There is an expansive list of family members covered under the law: child, parent, parent-in-law, spouse, grandchild, grandparent, sibling, domestic partner, and next of kin (for military service member care). - Benefit amount: 90% for those earning 65% or less of the state average weekly wage; for those earning greater than 65% of the state average weekly wage, 90% of the employee's average weekly wage, up to 65% of the state average weekly wage plus 50% of the employee's average weekly wage that is greater than 65% of the state average weekly wage. The maximum benefit for the first year of the program is \$1,000 per week. - Private plans are allowed as long as they meet or exceed the requirements of the law. - Employee and Employer contributions will begin 07/01/25. Previously, the effective date was scheduled for 10/01/24. - The weekly benefit amount for the 12-month period beginning 07/01/26 will not exceed \$1,000, with annual determinations each subsequent year. - Contribution rates would be 50/50 between employer and employee. The total contribution rate of 0.9% will be split evenly (0.45% each) unless the employer chooses to cover their employee's share, up to a maximum of the current Social Security Wage base (\$168,600 in 2024). Employers with 15 or more employees must contribute, and those with 14 or fewer employees are exempt from employer contributions, but must still collect employee contributions at a rate of 0.45%. - Employers will have the option to select a private self insurance plan or an insured plan through a carrier. - Employees will not be required to exhaust employer-provided accrued paid leave prior to claiming benefits under MD FMLI (this was previously a requirement under the law). However, employees and their employer can agree to use employer-provided accrued pay (e.g. vacation, sick, PTO) to top up benefits received. - Employers can still manage benefit coordination with their own employer-provided pay (such as salary continuation and STD). <p>The Maryland Department of Labor has also finally made available a website for the FMLI program. The "Employers" page has an expansive Q&A list discussing topics such as contributions, claims, and private plans.</p>
<p>Handbook/Policy Updates</p>	<p>The law does not state any requirements for updating employer handbooks currently. However, you may wish to add information in your handbooks about this law as the live date of the program draws nearer. It is generally our recommendation to include any leave benefit information in your handbooks, where you have an employee population in a particular state. We will also keep our clients posted regarding any updates.</p>
<p>Notice Requirements</p>	<p>Employers will be required to provide a notice to new hires, 6 months before benefits begin, annually, and when an employee experiences a qualifying leave event. The notice is not released by MD at this time. We will provide this to our clients, once published.</p>
<p>Larkin Action</p>	<p>The Larkin Company will consider any law changes carefully, and update our internal resources and processes, as well as our employee leave information packets, if necessary.</p> <p>We will continue to monitor any updates regarding the law and will keep our clients updated.</p>
<p>Further Company Considerations</p>	<p>N/A</p>
<p>Resources</p>	<p>Maryland FMLI Website SB 275 SB 828</p>

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