LEGAL UPDATE MARYLAND

Maryland Paid Family and Medical Leave Amended, Delayed Again

Maryland has <u>amended</u> the Time to Care Act, the state's paid family and medical leave (PFML) law, again delaying the start of the PFML program. PFML **contributions** are now slated to begin **July 1, 2025**, and workers will be able to submit PFML **claims** starting **July 1, 2026**. The amendments, which take effect Oct. 1, 2024, changed the law in other ways as well.

New Implementation Dates

- The state secretary of labor will set the contribution rate by Feb. 1, 2025, for use during the period from July 1, 2025, to June 30, 2026;
- ✓ Contributions to the program (from employees and employers with 15 or more employees), which were scheduled to begin Oct. 1, 2024, will now start July 1, 2025; and
- Eligible workers may submit claims for PFML benefits beginning July 1, 2026, delayed from Jan. 1, 2026.

Other Notable Changes

Beyond pushing back the start of the program, the amendments also made changes to other aspects of the law. For instance, employees will be covered by PFML only if they worked **in Maryland** for the required period.

Among the changes concerning employers' private plans are the following:

- Private plans must be based on employer-provided benefits or insurance and not a combination of the two;
- Private plans must be provided (not just offered) to all employees; and
- The state secretary of labor may establish reasonable criteria for authorizing private plans.

Also of note to employers are changes allowing claims information to be disclosed to employers and giving the Maryland Department of Labor, not just employees, authority to file complaints alleging violations of the law. Further, these complaints will be allowed against insurers as well as employers.

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Highlights

- Maryland has again amended its paid family and medical leave law.
- The amendments change critical implementation dates for the program. Contributions will now start July 1, 2025, and benefits will begin July 1, 2026.
- The amendments also affect private plans and other features of the PFML program.

Only employees who have worked in Maryland will be covered by PFML.