



## House Bill 382

### *Commonsense Paid Leave Act*

MACo Position: **OPPOSE**

To: Economic Matters Committee

Date: February 10, 2017

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **OPPOSES** HB 382. This bill would require employers, including counties, to provide paid time off at a normal rate of pay for full-time and contractual employees. An employer with fewer than 50 employees is eligible for a subtraction modification if the employer provides all employees with paid leave.

Even though county governments generally offer generous benefits and leave policies, in some circumstances, these mandates would be inefficient and difficult. Counties often provide substantially more paid time off than the legislation prescribes for full-time employees. However, they do not all provide the same benefits to contractual workers. The proposed tax benefits afford no relief to public sector employers.

Extending broad leave benefits to contractual employees would require counties to make administrative changes and incur additional costs. Another substantial concern is with the carryover county fiscal effects of the tax benefits offered under the bill. According to the bill's fiscal note, local revenues would decrease by \$36.5 million annually - a massive fiscal cost. This revenue effect, combined with that of providing contractual employees with paid time off, is simply not affordable as a statewide county mandate and could present substantial budget difficulties.

This bill would infringe on local autonomy and flexibility by preempting local governments from enforcing existing leave policies and from enacting any new law that regulates leave provided by an employer.

For these reasons, MACo requests the Committee give an **UNFAVORABLE** report on HB 382.