

Legal Update Article

Delays Ahead: Maryland DOL Proposes Pushing Back FAMILI Program Implementation by 18 Months

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Takeaway

- Payroll deductions for the state’s Family and Medical Leave Insurance program would begin on 1/1/27 and benefits would become available on 1/1/28 under the Maryland Department of Labor’s proposal.

Related links

- [MDOL Press Release](#)
- [Senate Bill 355](#)
- [Maryland’s Impending FAML I Program: What Employers Need to Know Now](#)

Article

The Maryland Department of Labor (MDOL) has proposed a delay in the implementation of the [Family and Medical Leave Insurance \(FAML I\) program](#) in response to recent federal actions. The paid family and medical leave insurance program is currently scheduled to roll out this year with payroll deductions starting on July 1, 2025, and benefits becoming available on July 1, 2026.

According to the Feb. 14, 2025, MDOL [press release](#), this proposal is in response to recent federal actions that have created “instability and uncertainty for Maryland employers and workers.” MDOL aims to provide additional time for both employers and employees to prepare for the program’s launch.

Under the MDOL’s new recommended plan:

- Payroll deductions would begin on Jan. 1, 2027.
- Benefits would become available on Jan. 1, 2028.

This proposed change will need to be approved by the General Assembly, which is in session until April 7, 2025. In light of the anticipated delay, MDOL will halt any previously announced regulatory timelines for FAML I. This includes the process for employers applying to use a private plan, initially set to begin in May 2025, and the submission of wage and hour reports.

Additionally, Maryland State Senator Stephen Hershey has introduced [Senate Bill 355](#), which seeks to extend the FAML I program’s effective dates even further. If passed, required contributions would begin on July 1, 2027, and benefit payments would start on July 1, 2028.

Jackson Lewis attorneys will continue to monitor and report on further developments. In the meantime, if you have questions about this or other workplace issues, please contact a Jackson Lewis attorney.

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