LerchEarlyBrewer

MARYLAND FAMLI

Employer Action Guide: What to Do Now

Employer compliance is already underway. Use this checklist to prepare for 2027 contributions and 2028 benefits.

WHAT EMPLOYERS SHOULD DO NOW

- **Register:** Any employer with at least one employee in Maryland must register with Maryland FAMLI.
- **Choose a plan:** Decide whether to participate in the State Plan or pursue a FAMLI-approved private plan.
- **Evaluate administration:** Determine whether a third-party agent should manage reports, contributions, and/or claims responses.
- **Coordinate internally:** Assign responsibilities across departments for upcoming implementation steps.

REGISTRATION DETAILS

- **Any employer** with at least one employee in Maryland must register at paidleave.maryland.gov/register/.
- **An Authorized Officer** must complete registration and provide EIN, legal/d/b/a name, NAICS code, addresses, and a separate business email.
- **After registration,** a third-party agent may handle reporting, contributions, and claims responses.

CONTRIBUTIONS & PAYROLL

- **Rate:** 0.9% of compensation after taxes, split 0.45% employer / 0.45% employee.
- **Employers with fewer than 15 employees** do not owe the employer share, but must withhold and remit the employee share. Headcount includes all employees, inside and outside Maryland, and is measured quarterly.
- **Employer pick-up** of the employee share is permitted, but note potential tax implications.
- **Payroll deductions:** Begin January 1, 2027;
- **Electronic Quarterly Remittances:** Begin April 2027. *Late payments may trigger penalties and interest.

STATE PLAN VS. PRIVATE PLAN

- **Private plan:** Must be FAMLI-approved and at least as favorable as the State Plan; may be fully insured or self-insured.
- **Self-insured plans** generally require 50+ employees; a limited exception applies to smaller employers with a comparable plan in place by July 31, 2026.
- **To seek exemption** from State Plan contributions during 2027, submit a Declaration of Intent (DOI) by November 15, 2026.
- **If DOI is accepted:** Withhold beginning January 1, 2027 and hold contributions in escrow pending private-plan approval. Submit private-plan application by October 1, 2027.

REPORTING & EMPLOYEE NOTICES

- **Quarterly Wage and Hour Reports** are required electronically beginning April 15, 2027, including for approved private plans.
- **Initial Notices:** Due to employees one pay period before payroll deductions begin.
- **Regular Notices:** Must be given to employees at the following times: (i) by July 1, 2027, (ii) upon hire, (iii) annually, (iv) when leave is requested in FAMLI-related terms; and (v) when the employer knows the leave is \ for a qualifying reason.

EMPLOYER IMPLEMENTATION CHECKLIST

- ☐ Complete Maryland FAMLI registration.
- ☐ Choose the State Plan or evaluate a private plan.
- ☐ Submit a DOI by November 15, 2026 if pursuing a private plan.
- ☐ Decide whether to cover the employee 0.45% share and assess tax implications if doing so.
- ☐ Configure payroll to begin deductions January 1, 2027.
- ☐ Prepare for the first quarterly report due April 15, 2027.
- ☐ Build an employee-notice calendar and assign compliance responsibility.

KEY DATES AT A GLANCE **11/15/26 DOI Deadline | 12/26 Initial Notice | 1/1/27 Payroll Deductions Begin**
4/15/27 First Report Due | 7/1/27 Employee Notice | 10/1/27 Private Plan Applications | 1/3/28 Benefits Begin

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