



February 20, 2020

The Honorable Dereck E. Davis
Economic Matters Committee
Room 231, House Office Building
Annapolis, MD 21401

Re: HB 1018 – Labor and Employment – Economic Stabilization Act – Revisions – **Oppose**

Dear Delegate Davis:

HB 1018 is essentially a mini-WARN Act. The provisions of this bill would be required at levels half of those of the federal law. This Act would apply to businesses with 50 employees, as opposed to 100, and would require steps by the business to be taken when at least 25 of those employees would be affected by a plant closure as opposed to 50 under the federal law. The Act would also require 90 days' notice as opposed to 60.

In addition, the bill calls for further, unnamed guidelines to be determined by the Secretary of Labor.

Smaller businesses often operate on much shorter timelines than larger businesses and on much smaller profit margins. Requiring a shorter notification period can almost assure that those businesses unfortunate enough to face such a shutdown will be penalized by an onerous and punitive penalty. Circumstances surrounding a plant or unit closure are severe punishment for such a small business; being penalized further when a shorter notice is outside of that business' control to the tune of \$10,000 per day is unnecessary and wholly unreasonable.

It is unclear why it is felt that more restrictive provisions than the federal law provides are necessary for Maryland.

The Carroll County Chamber of Commerce, a business advocacy organization of over 600 members, opposes this bill. We therefore request that you give this bill an unfavorable report.

Sincerely,

A handwritten signature in black ink that reads 'Mike McMullin'.

Mike McMullin
President
Carroll County Chamber of Commerce

CC: Delegate Haven Shoemaker
Senator Justin Ready

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