



February 19, 2021

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

Re: HB 1154 – Labor and Employment - Economic Stabilization Act – Alterations – Oppose As Written

Dear Delegate Davis:

HB 1154 is a revision to the bill passed last year that imposed WARN Act obligations on Maryland businesses, but with more stringent requirements. While this bill offers some relief to employers who offer an employee a position at another location, it also *reduces* the number of affected employees to trigger the notification.

The federal WARN Act requires to notification at levels twice those of the state law - applying to businesses with 50 employees, as opposed to 100, and would require steps by the business to be taken when at 25% or 15 employees of those businesses would be affected by a plant closure as opposed to 50 under the federal law.

These additions are far more onerous than is reasonable under normal circumstances, and even more so during a time when many businesses are unsure from day to day if they will be able to survive.

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 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'. The signature is written in a cursive, slightly slanted style.

Mike McMullin
President
Carroll County Chamber of Commerce

CC: Delegate Haven Shoemaker
Senator Justin Ready

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