Message to Members

A focus at this legislative session of the Maryland General Assembly is on the cost of doing business and the benefits that employees receive from their employer. Legislation includes proposals to raise the minimum wage or to mandate paid sick leave for employees. Other pending legislation includes a bill that would preempt local government from establishing wage and benefits standards for employees, leaving that power with the stable government.

The GBC is a leading voice fighting the $15 per hour minimum wage proposed in the Baltimore City Council. While this proposal was defeated last year, the 2016 election saw eight new members elected to the City Council, many of whom support the higher minimum wage standard. At this stage, passage of a $15 per hour minimum wage in Baltimore City seems likely, leaving surrounding counties with a significantly lower minimum wage. Those jurisdictions and are not likely to raise the minimum wage beyond the eventual state standard of $10.10 per hour.

Legislation is also pending in the Maryland General Assembly that would mandate an eventual $15 per hour minimum wage, but for every jurisdiction in the state. This bill, however, will likely receive more serious consideration during the 2018 session.

A state-wide bill introduced this year, sponsored by House Economic Matters Committee Chair Dereck Davis, would preempt local jurisdictions from regulating wage and benefit laws, including a minimum wage above the state standard. While chances for passage are uncertain, the GBC supports
this effort - wage and benefit standards should only be instituted statewide, instead of in a patchwork among local jurisdictions. Differing standards in each jurisdiction creates a difficult environment for multi-jurisdictional businesses and harms the competitiveness of companies in counties with a higher minimum wage than their neighbors.

Other legislation, which has a strong chance for success, would require mandatory sick leave for employees. While the issue has been debated in the past and was close to passage in 2016, this year brought with it a new momentum, including the introduction of legislation by Governor Larry Hogan. Governor Hogan's plan calls for mandatory paid sick leave for employers with 50 or more employees. The legislature's plan has a lower threshold of 15 employees. The 15 employee threshold, at this point, is the more likely of the two to pass before the conclusion of the 2017 session on April 10.

These bills illustrate an important point - what policymakers do in Annapolis can have a significant impact on employers, employees and the economic success of Maryland. Please engage with the GBC on issues like these and take some time to build a relationship with your elected officials.

As always, if you have any questions or concerns, please feel free to contact me.

Sincerely,

Donald C. Fry
President and CEO

Cash Bail Reform Legislation Heard in Annapolis This Week

The GBC shared a detailed policy statement during hearings in Annapolis this week regarding cash bail reform. This issue has a significant impact on Baltimore City and the GBC concludes that the system should be changed.

In Maryland, the most widely used method to satisfy bail is through secured bond, either a payment of money or pledge of real property, in an amount sufficient to secure release from incarceration. If bail is set as a condition of release and the accused does not have the financial means to pay, the accused remains incarcerated until the time of trial, which in some cases could be six to nine months. In Baltimore City, the segment of the population most likely to experience these impacts are poor, young African-Americans. The unnecessary incarceration of an individual has an impact on the economy as it is almost certain that the person who is detained loses their job and almost anything else important in their lives including homes, health insurance and family stability. That is a heavy price to pay to wait for your day in court.

The GBC believes there is a better way. In its statement, the GBC maintains that an individual charged with a crime should
not remain incarcerated because of his/her inability to pay for their release or their financial circumstances. The GBC notes that some states, including the District of Columbia, have had great success with eliminating cash bail and instead utilizing a proven, effective alternative to ensure a defendant's presence at trial through a structured pretrial supervision program.

Currently, there are 11 jurisdictions in the state, including Baltimore City, with pretrial release services. The Pretrial Release Services Program in Baltimore City is also considerably more cost effective than detaining an accused person pending trial. The GBC, which has studied the cash bail issue, has adopted the position that it is in the best interests of residents and taxpayers to eliminate cash bail in jurisdictions which have pretrial release programs so that defendants who have not committed a violent crime or do not pose a risk to society or flight to avoid trial are not incarcerated because of their financial status.

There were several bills heard this week that attempt reforms to the cash back system. The focus on this has never been more evident. There is, however, opposition and major policy changes may take time to take root. In the meantime, the GBC will continue to press this important issue.

GBC 2017 Legislative Priorities

For reference during the session, please take a look at the GBC’s 2017 Legislative Priorities, which serve as the foundation of our efforts in Annapolis and throughout the year. These priorities communicate to policymakers specific actions or recommendations that policymakers can undertake to create jobs and improve the business climate.

Upcoming Dates of Interest

On March 16 join the GBC for a Newsmaker Breakfast with Visit Baltimore President and CEO Al Hutchinson and on April 19 with Baltimore City Council President Bernard C. (Jack) Young.

Join the GBC for its 37th Annual Meet and Greet with the Baltimore Orioles from noon to 2 p.m. on Sunday, April 2. Join us for food and beverages; autograph and photos; raffles; and interviews with Orioles Manager Buck Showalter, Orioles Executive VP, Baseball Operations Dan Duquette and Orioles players. For sponsorship information contact Lisa Byrd, Event and Business Development Manager, at 410-727-2820.

Join the GBC on May 15 for its 62nd Annual Meeting, the state's premier business event of the year. To become a sponsor for this important event, contact Lisa Byrd, Event and Business Development Manager, at 410-727-2820.