Message to Members

With the 2017 legislative session of the Maryland General Assembly completed, the GBC begins its interim work. This work has a number of facets. First, we will complete an assessment of how we performed for GBC members. Were we effective advocates on behalf of the business community? How can we improve on our overall efforts?

Looking forward, the GBC will engage our membership and partners to update and improve upon the legislative priorities we establish prior to the start of every session. We want to ensure our priorities reflect GBC members' priorities in a multitude of areas that affect the business climate including taxes, transportation, workforce, economic development, public safety, entrepreneurship, innovation and tourism. The GBC also seeks to ensure that we are effectively communicating these efforts to our members, elected officials and the public.

The interim is also a time to sharpen the focus on the development of policies that improve the business climate and create jobs. GBC policy staff will be monitoring the legislature’s interim activities and will seek to influence outcomes of the myriad of legislative committees, task forces and commissions. The GBC’s six standing committees, which focus on transportation, education and workforce, innovation and technology, bioscience, economic development and health care, meet throughout the year with the goal of developing policies that make a positive impact on the Greater Baltimore region.

Finally, and perhaps most importantly, the GBC will be working to create or cement relationships with leading policymakers in Annapolis. Relationships are the key factor when seeking to
influence policy and create positive outcomes. While the GBC has strong relationships with leaders in Annapolis, it is vital that we continue to maintain and develop strong working relationships with those who make policy decisions critical to the success and growth of the business community.

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

Sincerely,

Donald C. Fry
President and CEO

Mandatory Paid Sick Legislation Vetoed

On May 25, Governor Larry Hogan vetoed House Bill 1 - Labor and Employment - Maryland Healthy Working Families Act, a bill which requires mandatory paid sick leave for Maryland employees. The bill, after nearly passing last year, moved through the Maryland General Assembly during the 2017 legislative session and attained passage.

There was hope on the part of mandatory paid sick leave advocates that the Governor would allow the bill to become law without his signature. However, the Governor vetoed HB 1, which creates some interesting scenarios. The legislature could decide to forgo an attempt to override the veto, but the bill passed with veto-proof margins in each chamber. A veto override could occur within two time frames. First, if the legislature is called to Annapolis for a special session on any issue, the veto could be overridden at that time. Otherwise, the legislature could attempt to override the veto during the opening days of the 2018 session, which will begin January 10, 2018.

In the meantime, the Governor issued an executive order establishing a task force to study the issue of mandatory paid sick leave during the interim with a final report due in December. The Governor instructed the task force to study the impact of the measure on small businesses and recommend emergency legislation (legislation that is effective on the date it is signed by the Governor) for the 2018 session. Additionally, the Governor issued an executive order that extends paid sick leave to contractual employees in state government and another that provides employers that offer paid sick leave a preference in seeking contracts to do business with state government.

House Bill 1 would require an employer with 15 or more employees to have a sick leave policy under which an employee earns at least one hour of paid sick leave for every 30 hours worked. The total amount of sick leave an employee may earn is capped at 40 hours per year. Governor Hogan introduced his own paid sick leave legislation, but with a threshold for companies with 50 or more employees. The legislature rejected this proposal and passed House Bill 1 with the 15 employee threshold.
Looking Forward

The Governor had until the end of May to act on the hundreds of bills passed by the Maryland General Assembly that reached his desk for action. Now that he has either signed, vetoed or allowed remaining legislation to become law without his signature, the 2017 legislative session outcome is completed.

While this was a busy session by all measurements, next year's session marks the fourth session of a four-year term for elected officials. In November 2018, all three statewide elected officials (Governor, Attorney General and Comptroller) and all Maryland General Assembly seats (47 Senate and 141 House of Delegates) will be up for election. Oftentimes, politically risky policy changes happen in the second or third year of a four-year term, while less risky, election-oriented policy changes occur in the last year.

While issues including tax increases are less likely in the last year of a four-year term, there may be bills introduced that are considered wedge issues, especially when the executive branch and the legislative branch are led by different political parties. The GBC will be navigating these tricky waters for our members. Please do not hesitate to contact the GBC if we can be of assistance on a legislative or policy matter.

Upcoming Dates of Interest

The GBC’s June 21 Newsmaker Breakfast with Paul Comfort, Administrator and CEO of the Maryland Transit Administration is sold out. The event begins at 7:30 a.m. at the GBC office, 111 S. Calvert St., Suite 1700, Baltimore, MD 21202.

Future Newsmaker Breakfast programs include Dr. Sonja Santelises, CEO of Baltimore City Public Schools, on July 19 and Ricky D. Smith, Executive Director/CEO of the Maryland Aviation Administration, on August 9.

Join the GBC on July 12 for its 2017 Golf Classic at Greystone Golf Course in White Hall. To become a sponsor, contact Chris Fabula, Executive Assistant to the President and CEO, at 410-727-2820.