

KATIE FRY HESTER
Legislative District 9
Carroll and Howard Counties

Education, Health, and
Environmental Affairs Committee

Chair, Joint Committee on
Cybersecurity, Information Technology
and Biotechnology



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Sponsor Testimony In Support of SB720 - Regulations Affecting Small Business - Certification of Comparable Local Regulation

February 27th, 2020

Good afternoon Chair Pinsky, Vice Chair Kagan, and Members of the Education, Health, and Environmental Affairs Committee:

I am pleased to present Senate Bill 720. Over the interim I had the pleasure of leading a brilliant, bipartisan group of our colleagues in the Senate to consider the challenges faced by small business across the State. Throughout this process we asked small business owners in each of our districts about their experience running a business in Maryland, and found a handful of recurring themes. One of the most prominent among those was the burden regulatory compliance can place on a small business. When you are running a small operation with limited staff, the hours spent filling out paperwork necessary for compliance can be a real source of pressure. This bill seeks to alleviate some of that pressure, and to help small business owners focus on the thing they're so passionate about: their businesses.

This bill requires state agencies promulgating a regulation to include in their economic impact analysis a certification of whether or not a local unit of government has adopted a comparable regulation that is at least as stringent as that being proposed by the State. If the agency certifies that a local regulation meets this standard, they may include in the proposed regulation a statement that compliance with the local regulation will be considered as compliance with the corresponding proposed state regulation. The Joint Committee on Administrative, Executive, and Legislative Review will then have the ability to review the proposed regulation and the certification administered by the agency. This policy was also a recommendation of the Advisory Council on the Impact of Regulations on Small Businesses in 2017, and has been included in every annual report of the Advisory Council thereafter.

This simple bill streamlines the compliance process for small businesses, reducing the amount of paperwork and hours they have to spend attending to regulations that achieve the same effect at two levels of government. For a larger entity this is not a concern, but when you are a small business owner putting

in the work to see the business you are so passionate about succeed, every minute makes all the difference. **I respectfully request a favorable report for SB720.**

Sincerely,

A handwritten signature in black ink that reads "Katie Fry Hester". The signature is written in a cursive style with a large initial "K" and "H".

Senator Katie Fry Hester
Howard and Carroll Counties