

## TESTIMONY OFFERED ON BEHALF OF THE GREATER OCEAN CITY CHAMBER OF COMMERCE

## IN SUPPORT OF

SB404 Labor and Employment MD HEALTHY WORKING FAMILIES - VERIFICATION

BEFORE THE SENATE FINANCE COMMITTEE- February 20, 2020

The Greater Ocean City Chamber of Commerce, representing more than 900 regional, seasonal businesses and job creators, strongly supports **SB 404 MD HEALTHY WORKING FAMILIES – VERIFICATION.** 

This bill amends the Sick and Safe Leave Act to accommodate seasonal workers and is critical for Ocean City businesses. It requires verification of leave between the  $107^{th}$  and  $120^{th}$  day of employment. This is a critical time, which is often at the end of the season when you need them the most.

The vast majority of our community is comprised of small, family owned businesses, many whom have existed for generations. Each season, these businesses offer 12,000+ seasonal positions. Many of these jobs are entry level positions and are filled by teenagers, college students and first time employees. Entry-level jobs are meant to be just that, an entry into the job world. These hospitality job creators provide thousands of people with the opportunity to be part of a team. These entry level jobs also teach what it means to show up on time, how to deal with the public and how to budget.

While the paid sick leave bill had good intentions, it has caused many employers to carefully analyze and evaluate their hiring practices. Paid sick leave regulations have shifted employment and led to a reduction in hours for many positions and caused earlier lay-offs. Additionally, businesses that traditionally stayed open in the shoulder seasons have closed in the fall/winter to avoid increased payroll costs. In an increasingly difficult business climate, this bill would allow businesses to keep employees on the payroll longer.

With this bill, we have already seen abuses since its implementation. Young people are taking leave because it is "owed" to them, leaving businesses with limited staff to provide the services require in the industry. This has had an overall negative impact for Ocean City, whose economy is based on service. By requiring verification, we believe that this will eliminate the abuses and entitlement that many businesses have experienced already.

Tightening up this bill would allow the business owners to be more accurate in calculating and disbursing benefits since it is required. Please assist our seasonal businesses with the slight change that will ultimately help the full-time year-round staff that the Sick and Safe Leve Act is intended for.

The Greater Ocean City Chamber of Commerce Membership respectfully requests a <u>Favorable Report</u> for **SB 404** MD HEALTHY WORKING FAMILIES – VERIFICATION. Please feel free to contact me with any questions regarding the position of the Greater Ocean City Chamber of Commerce at 410-213-0144 ext 102.

Sincerely,

Melanie A. Pursel, M.S.

President & CEO