



MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

7 School Street • Annapolis, Maryland 21401-2096

Balto. (410) 269-1940 • Fax (410) 280-2956

President
Donna S. Edwards

Secretary-Treasurer
Gerald W. Jackson

SB 780 – Labor and Employment – Economic Stabilization Act – Revisions
Senate Finance Committee
February 27, 2020

SUPPORT

Donna S. Edwards
President
Maryland State and DC AFL-CIO

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony supporting SB 780 – Labor and Employment – Economic Stabilization Act – Revisions. My name is Donna S. Edwards and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of the 340,000 union members I offer the following comments.

Closures of businesses leave workers and their families struggling to maintain their quality of life, and oftentimes announcements of closures come with little to no notice, at all. This leaves hundreds of impacted workers in an awful position, having to immediately find new work, almost always at a lower salary, just to keep food on the table. A full 40% of Americans cannot afford a \$400 emergency, and the majority are one or two paychecks away from economic disaster¹. Layoffs and downsizing only exacerbates this existing problem for American workers. It is imperative that advance notice of business closures and protection of workers is strengthened so that Marylanders do not get left in the cold to fend for themselves by corporate executives who are not affected by the decision to close or significantly downsize business operations.

SB 780 requires the Secretary promulgate mandatory guidelines for employers (with over 50 employees) on proper notice on their decision to downsize operations or close up shop, requiring 90 days' notice to workers, bargaining representatives, and all elected officials in the jurisdiction where the reduction of operations will occur. With recent business closures around the State having sometimes no notice given, or sometimes only a few weeks, workers and their families are put in a desperate situation – through no fault of their own – forcing them to struggle much harder than if they were given much more time to plan financially and seek new employment.

We ask for a favorable report on SB 780.

¹ Federal Reserve - <https://www.federalreserve.gov/publications/files/2017-report-economic-well-being-us-households-201805.pdf>