

COURTNEY WATSON
Legislative District 9B
Howard County

Economic Matters Committee

Subcommittees

Banking, Consumer Protection,
and Commercial Law

Property and Casualty Insurance

Vice Chair, Democratic Caucus



Annapolis Office
The Maryland House of Delegates
6 Bladen Street, Room 350
Annapolis, Maryland 21401
410-841-3077 • 301-858-3077
800-492-7122 Ext. 3077
Courtney.Watson@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

March 3, 2020

HB0817 (SB0720) - Regulations Affecting Small Business - Certification of Comparable Local Regulation

SPONSOR: Delegate Courtney Watson

POSITION: Support with Amendment

Good afternoon Chair Pendergrass, Vice Chair Pena-Melnyk, and Members of the Health and Government Operations Committee:

I am pleased to present House Bill 817. The policy demonstrated in the bill was 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.

Over the interim, the Senate had a committee look at the challenges faced by small business across the State. They found a handful of recurring themes in working with small businesses. One of the most prominent among those was the burden regulatory compliance can place on a small business.

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.

At a time when we are layering more mandates on our small businesses, such as minimum wage and paid sick leave, this bill helps small business by streamlining the compliance process and reducing the amount of paperwork and hours they have to spend attending to regulations that achieve the same effect at two levels of government.

There is an amendment. After the hearing in the Senate, the Senate sponsor spoke with the Secretary of Commerce and an amendment was drafted (a copy of the draft is uploaded with my testimony). The amendment would alleviate the burden on agencies that the fiscal note identifies. It's very simple:

- During the 15 day comment period following the proposal for a new state regulation, the public will have the opportunity to provide "notice" of a comparable/duplicative regulation at the local level.
- Once the agency has received notification and determined that the regulation is in fact comparable/duplicative, the agency can provide certification that there is a comparable/duplicative regulation and certify that compliance with the local regulation constitutes compliance with the State regulation.

I respectfully request a favorable report for HB 817.

AMENDMENTS TO HOUSE Bill 817

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, after “certification” insert “in certain circumstances”.

AMENDMENT NO. 2

On page 3, in line 6, after “WHETHER” insert ““, AFTER POSTING THE REGULATION OR SCOPE OF THE REGULATION AS REQUIRED UNDER §10-110(D)(3)(VII) OF THIS ARTICLE, THE AGENCY HAS RECEIVED NOTICE OF””; and in line 20, after “that”, insert ““, AFTER POSTING THE REGULATION OR SCOPE OF THE REGULATION AS REQUIRED UNDER §10-110(D)(3)(VII) OF THIS ARTICLE, THE AGENCY HAS RECEIVED NOTICE OF AND DETERMINED THAT””.