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Date: February 11, 2021

Senate Bill 486 Labor and Employment - Employment Standards During an Emergency (Maryland Essential Workers' Protection Act)

Committee: Finance

DMAA Position: **OPPOSED**

Delaware-Maryland Agribusiness Association represents agricultural retailers and manufacturers operating in Maryland. DMAA opposed Senate Bill 486 which would require certain policies, hazard pay and procedures to be in place for essential employers during emergencies. DMAA members include the agricultural retailers that provide seed, nutrients, crop protection products and application services to farmers in Maryland. Farming is a time sensitive matter. Planting of crops and application of the nutrients and crop protection required for them to grow cannot wait. As such, agricultural retailers continued to work, safely, through the COVID-19 stay-at-home order and would need to continue to operate during any potential future emergency as defined by this bill.

This bill will have serious detrimental impacts which could easily threaten the viability of our member companies who are already struggling to deal with the operating restrictions from COVID-19. As an “essential employer” this bill would require agricultural retailers to do a myriad of things, but the two most concerning provisions are the requirements to provide hazard pay and the ability of an employee to refuse to fulfill their work responsibilities.

In addition to complying with all state and CDC requirements for safe business operations; DMAA member companies took the following actions voluntarily to curb the potential for COVID-19 infections and reward their employees for safely working through the pandemic:

- Stood up satellite work locations to reduce the number of employees at any one location.
- Allowed employees to work reduced hours without counting against any of their paid-time-off as long as the necessary work was being completed.
- Implementing flexible schedules in order to allow employees to care for children or sick family members.
- Paid leave for COVID illness or quarantine.
- Paid safety bonuses to employees who worked consistently and reliably through the COVID-19 stay-at-home order.

Requiring employers to pay retroactive hazard pay puts them in a nearly impossible situation as many are already experiencing increased costs related to safety, sanitization and complying with social distancing. Our members estimate in order to comply with the hazard pay provision of this legislation they would have to reduce their workforce by approximately 10% and the retroactive hazard pay could reduce their 2020 bottom line by over 20%.

As previously mentioned, agricultural retailers operate on an extremely tight schedule. Having one employee fail to report to work can cause significant disruptions in service provision to farmers and therefore food production. Enabling employees not to report to work and no recourse for the employee until a Commission investigation is complete put these employers in a difficult position of likely being unable to continue to provide the necessary inputs to their farmer customers.

House Bill 581 penalizes employers that created safe working environments and voluntarily rewarded their employees for safely working through the COVID-19 pandemic and threatens the jobs of those workers who willingly worked and would continue to work through future emergencies.

DMAA asks for your unfavorable report on Senate Bill 486.