



LEGISLATIVE POSITION:

Unfavorable

House Bill 1226 – Maryland Predictable Scheduling Act

Senate Finance Committee

Wednesday, March 6, 2024

Dear Chairwoman Beidle and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 6,800 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

HB 1226 requires food service, hospitality, and retail establishments to pay employees 1 hour at the employee's regular rate of pay each time the employer adds 1 or more hours of work to the employee's work schedule or changes the date, time or location of a shift. The bill also requires the employer pay an employee 50% of their regular rate of pay for all scheduled work hours the employee does not work due to the employer canceling or reducing the employee's work hours. Lastly, if an employee agrees to work a shift that falls within eleven hours after their most recent shift, the employer must pay them 1.5 times their normal wage rate.

Currently, Oregon is the only state to have a restrictive scheduling law in place that impacts retail, hospitality and foodservice. While scheduling laws are intended to create more predictable schedules for workers in targeted industries, they almost always result in unnecessary burdens for both employers and employees. Retail and foodservice establishments are heavily reliant on foot traffic, which results in unpredictable demand. For example, a snowstorm would decrease foot traffic and keep people at home, reducing the number of employees needed that day. Conversely, an unseasonably warm winter day would increase foot traffic and the employer would need additional staff on hand. HB 1226 would prohibit employers from being able to respond to these changes in demand.

Evidence from San Francisco, who has a similar scheduling mandate, has shown that twenty percent of impacted businesses reduced the number of part-time hires they made, and a similar proportion reduced the number of employees they scheduled per shift. The Washington Post also reported that many employees in San Francisco were unhappy with the mandate as it limited the employers' ability to offer last minute extra shifts.

Lastly, the COVID-19 pandemic has proven just how flexible retail and foodservice employers need to be when it comes to scheduling. Many employers faced significant staffing shortages due to employees testing positive or having to enter quarantine due to exposure. An employer's ability to reach out to other employees when faced with a scenario like this is critical to them being able to stay open and serve the community.

The Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **HB 1226**.

