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By: **Delegate Burns**  
Introduced and read first time: February 26, 2004  
Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Job Preservation Act**

3 FOR the purpose of requiring a business entity doing business in the State that has a  
4 net loss of at least one employee working in the State during the preceding  
5 calendar year to notify the Division of Labor and Industry of the net loss on or  
6 before a certain date; requiring the Division to send a job relocation survey  
7 prepared by the Commissioner of Labor and Industry to a certain business  
8 entity; requiring the business entity to complete and return the job relocation  
9 survey to the Division within a certain amount of time; requiring the job  
10 relocation survey to include certain items; providing that, notwithstanding any  
11 other provision of law, a certain business entity shall not be eligible, for a certain  
12 period of time, to enter into a procurement contract, receive a certain grant or  
13 loan, or use certain bonds; requiring the Commissioner to provide written notice  
14 of the ineligibility of the business entity to certain persons; authorizing an  
15 individual who loses a job located in the State to report the job loss to the  
16 Division under certain circumstances; stating certain findings of the General  
17 Assembly; requiring the Commissioner to adopt regulations to carry out the  
18 provisions of this Act; defining certain terms; and generally relating to the  
19 Maryland Job Preservation Act.

20 BY adding to  
21 Article - Labor and Employment  
22 Section 12-101 through 12-106, inclusive, to be under the new title "Title 12.  
23 Maryland Job Preservation Act"  
24 Annotated Code of Maryland  
25 (1999 Replacement Volume and 2003 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
27 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - Labor and Employment**

## 2 TITLE 12. MARYLAND JOB PRESERVATION ACT.

3 12-101.

4 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

5 (B) "ARCHITECTURAL SERVICES" HAS THE MEANING STATED IN § 11-101 OF  
6 THE STATE FINANCE AND PROCUREMENT ARTICLE.7 (C) "BUSINESS ENTITY" MEANS A PARTNERSHIP, ASSOCIATION,  
8 CORPORATION, OR OTHER NONGOVERNMENTAL LEGAL ENTITY.

9 (D) "COMMISSIONER" MEANS THE COMMISSIONER OF LABOR AND INDUSTRY.

10 (E) "CONSTRUCTION" HAS THE MEANING STATED IN § 11-101 OF THE STATE  
11 FINANCE AND PROCUREMENT ARTICLE.12 (F) "CONSTRUCTION-RELATED SERVICES" HAS THE MEANING STATED IN §  
13 11-101 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

14 (G) "DIVISION" MEANS THE DIVISION OF LABOR AND INDUSTRY.

15 (H) "ENERGY PERFORMANCE CONTRACT" HAS THE MEANING STATED IN §  
16 11-101 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.17 (I) "ENGINEERING SERVICES" HAS THE MEANING STATED IN § 11-101 OF THE  
18 STATE FINANCE AND PROCUREMENT ARTICLE.19 (J) "LOCAL GOVERNMENT" MEANS A COUNTY, MUNICIPAL CORPORATION, OR  
20 ANY OTHER INDEPENDENT LOCAL ENTITY THAT HAS THE AUTHORITY UNDER THE  
21 LAWS OF THE STATE TO LEVY TAXES OR IMPOSE ASSESSMENTS.

22 (K) (1) "PROCUREMENT" MEANS THE PROCESS OF:

23 (I) LEASING REAL OR PERSONAL PROPERTY AS LESSEE; OR

24 (II) BUYING OR OTHERWISE OBTAINING SUPPLIES, SERVICES,  
25 CONSTRUCTION, CONSTRUCTION-RELATED SERVICES, ARCHITECTURAL SERVICES,  
26 ENGINEERING SERVICES, OR SERVICES PROVIDED UNDER AN ENERGY  
27 PERFORMANCE CONTRACT.28 (2) "PROCUREMENT" INCLUDES THE SOLICITATION AND AWARD OF  
29 PROCUREMENT CONTRACTS AND ALL PHASES OF PROCUREMENT CONTRACT  
30 ADMINISTRATION.31 (L) "PROCUREMENT CONTRACT" MEANS AN AGREEMENT IN ANY FORM  
32 ENTERED INTO BY A UNIT OR A LOCAL GOVERNMENT FOR PROCUREMENT.

1 (M) "SERVICES" HAS THE MEANING STATED IN § 11-101 OF THE STATE  
2 FINANCE AND PROCUREMENT ARTICLE.

3 (N) "SUPPLIES" HAS THE MEANING STATED IN § 11-101 OF THE STATE  
4 FINANCE AND PROCUREMENT ARTICLE.

5 (O) (1) "UNIT" MEANS AN OFFICER OR OTHER ENTITY THAT IS IN THE  
6 EXECUTIVE BRANCH OF THE STATE GOVERNMENT AND IS AUTHORIZED BY LAW TO  
7 ENTER INTO A PROCUREMENT CONTRACT.

8 (2) "UNIT" DOES NOT INCLUDE:

9 (I) A BISTATE, MULTISTATE, BICOUNTY, OR MULTICOUNTY  
10 GOVERNMENTAL AGENCY; OR

11 (II) A SPECIAL TAX DISTRICT, SANITARY DISTRICT, DRAINAGE  
12 DISTRICT, SOIL CONSERVATION DISTRICT, WATER SUPPLY DISTRICT, OR OTHER  
13 POLITICAL SUBDIVISION OF THE STATE.

14 12-102.

15 THE GENERAL ASSEMBLY FINDS THAT:

16 (1) A NUMBER OF BUSINESS ENTITIES HAVE OUTSOURCED LABOR BY  
17 REPLACING HIGHLY SKILLED EMPLOYEES WORKING IN THE STATE WITH  
18 LOWER-PAID LABORERS LOCATED OUTSIDE THE UNITED STATES;

19 (2) IN MANY CASES, BUSINESS ENTITIES HAVE OUTSOURCED LABOR AS  
20 A RESULT OF PRESSURE FROM DOMESTIC AND FOREIGN VENTURE CAPITAL  
21 COMPANIES THAT VIEW FOREIGN LABOR AS A WAY OF INCREASING ALREADY  
22 SIGNIFICANT PROFITS;

23 (3) THE PRESERVATION OF JOBS IN THE STATE IS OF CRITICAL  
24 IMPORTANCE TO THE ECONOMIC VITALITY OF THE STATE AND THE COMMUNITIES  
25 WITHIN THE STATE;

26 (4) THE ECONOMIC DISLOCATION CAUSED BY THE OUTSOURCING OF  
27 LABOR THREATENS THE HEALTH, SAFETY, AND WELFARE OF THE PEOPLE OF THE  
28 STATE;

29 (5) A BUSINESS ENTITY THAT OUTSOURCES LABOR SHOULD NOT ENJOY  
30 THE BENEFITS OF A LUCRATIVE PROCUREMENT CONTRACT; AND

31 (6) A BUSINESS ENTITY THAT OUTSOURCES LABOR SHOULD NOT  
32 RECEIVE ECONOMIC DEVELOPMENT ASSISTANCE OR SUBSIDIES FROM THE STATE  
33 OR A LOCAL GOVERNMENT.

34 12-103.

35 THE COMMISSIONER SHALL ADOPT REGULATIONS TO CARRY OUT THE  
36 PROVISIONS OF THIS TITLE.

1 12-104.

2 (A) ON OR BEFORE JANUARY 31 OF EACH YEAR, A BUSINESS ENTITY DOING  
3 BUSINESS IN THE STATE THAT HAS A NET LOSS OF AT LEAST ONE EMPLOYEE  
4 WORKING IN THE STATE DURING THE PRECEDING CALENDAR YEAR SHALL NOTIFY  
5 THE DIVISION OF THE NET LOSS.

6 (B) (1) AFTER THE BUSINESS ENTITY NOTIFIES THE DIVISION UNDER  
7 SUBSECTION (A) OF THIS SECTION, THE DIVISION SHALL SEND THE BUSINESS  
8 ENTITY A JOB RELOCATION SURVEY PREPARED BY THE COMMISSIONER.

9 (2) THE BUSINESS ENTITY SHALL COMPLETE AND RETURN THE JOB  
10 RELOCATION SURVEY TO THE DIVISION WITHIN 30 DAYS AFTER THE BUSINESS  
11 ENTITY RECEIVES THE JOB RELOCATION SURVEY.

12 (3) THE JOB RELOCATION SURVEY SHALL INCLUDE:

13 (I) THE BUSINESS ENTITY'S NAME AND THE LOCATION OF THE  
14 BUSINESS ENTITY'S PRINCIPAL PLACE OF BUSINESS;

15 (II) A LIST OF THE BUSINESS ENTITY'S PROCUREMENT CONTRACTS;

16 (III) A LIST OF GRANTS OR LOANS THAT THE BUSINESS ENTITY HAS  
17 RECEIVED FROM THE STATE OR A LOCAL GOVERNMENT;

18 (IV) A STATEMENT OF THE NUMBER OF EMPLOYEES WORKING IN  
19 THE STATE WHO LOST JOBS DURING THE PRECEDING CALENDAR YEAR;

20 (V) A STATEMENT OF THE NUMBER OF JOBS LOCATED IN THE  
21 STATE THAT THE BUSINESS ENTITY ADDED DURING THE PRECEDING CALENDAR  
22 YEAR; AND

23 (VI) A STATEMENT OF THE NUMBER OF JOBS THAT EMPLOYEES  
24 WORKING IN THE STATE LOST AS A RESULT OF THE BUSINESS ENTITY OUTSOURCING  
25 LABOR TO INDIVIDUALS LOCATED OUTSIDE THE UNITED STATES.

26 12-105.

27 (A) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A BUSINESS ENTITY  
28 THAT HAS A NET LOSS OF AT LEAST ONE EMPLOYEE WORKING IN THE STATE  
29 BECAUSE OF THE RELOCATION OF AT LEAST ONE JOB FROM THE STATE TO A SITE  
30 LOCATED OUTSIDE THE UNITED STATES DURING THE PRECEDING CALENDAR YEAR  
31 MAY NOT BE ELIGIBLE, FOR A PERIOD OF 7 YEARS FROM THE DATE OF THE NOTICE  
32 PROVIDED UNDER SUBSECTION (B) OF THIS SECTION, TO:

33 (1) ENTER INTO A PROCUREMENT CONTRACT;

34 (2) RECEIVE A GRANT OR LOAN FROM THE STATE OR A LOCAL  
35 GOVERNMENT; OR

1           (3)     USE STATE OR LOCAL GOVERNMENT INDUSTRIAL DEVELOPMENT  
2 REVENUE BONDS.

3     (B)     THE COMMISSIONER SHALL PROVIDE WRITTEN NOTICE OF THE  
4 INELIGIBILITY OF A BUSINESS ENTITY UNDER SUBSECTION (A) OF THIS SECTION TO:

5           (1)     THE SECRETARY OF BUDGET AND MANAGEMENT AND THE HEAD OF  
6 EACH UNIT;

7           (2)     EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE;

8           (3)     EACH STATE AGENCY THAT PROVIDES GRANTS OR LOANS TO  
9 PERSONS IN THE STATE; AND

10          (4)     EACH LOCAL GOVERNMENT.

11 12-106.

12     AN INDIVIDUAL WHO LOSES A JOB LOCATED IN THE STATE MAY REPORT THE  
13 JOB LOSS TO THE DIVISION IF THE INDIVIDUAL BELIEVES THAT THE JOB LOSS  
14 OCCURRED BECAUSE OF THE OUTSOURCING OF LABOR BY THE BUSINESS ENTITY TO  
15 INDIVIDUALS LOCATED OUTSIDE THE UNITED STATES.

16     SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 July 1, 2004.