

HOUSE BILL 817

C2, P3

0lr3387
CF SB 720

By: ~~Delegates C. Watson, Bhandari, Cain, Crosby, Forbes, Guyton, Kerr, Qi, and Rogers~~ Delegates Rogers, Bagnall, Belcastro, Charles, Chisholm, Cullison, Hill, Johnson, Kelly, Kipke, Krebs, R. Lewis, Morgan, Pena-Melnyk, Pendergrass, Reilly, Rosenberg, Saab, Szeliga, and K. Young

Introduced and read first time: February 3, 2020

Assigned to: Health and Government Operations

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 9, 2020

CHAPTER _____

1 AN ACT concerning

2 **Regulations Affecting Small Businesses – Certification of Comparable Local**
3 **Regulation**

4 FOR the purpose of requiring a certain unit of State government proposing a regulation
5 affecting small businesses to include a certain certification regarding a certain local
6 regulation in a certain economic impact analysis rating and a certain economic
7 impact analysis in a certain manner; authorizing a certain unit of State government
8 to include a certain statement in a proposed regulation under certain circumstances;
9 and generally relating to regulations affecting small businesses.

10 BY repealing and reenacting, without amendments,
11 Article – State Government
12 Section 2–1505.2(a) and (b)
13 Annotated Code of Maryland
14 (2014 Replacement Volume and 2019 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – State Government
17 Section 2–1505.2(d) and (e)
18 Annotated Code of Maryland
19 (2014 Replacement Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – State Government**

4 2–1505.2.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Committee” means the Joint Committee on Administrative, Executive,
7 and Legislative Review.

8 (3) “Economic impact analysis” means an estimate of the cost or the
9 economic benefit to small businesses that may be affected by a regulation proposed by an
10 agency pursuant to Title 10, Subtitle 1 of this article.

11 (4) “Economic impact analysis rating” means an estimate that a proposed
12 regulation will have:

13 (i) minimal or no economic impact on small businesses; or

14 (ii) meaningful economic impact on small businesses.

15 (5) “Small business” means a corporation, partnership, sole proprietorship,
16 or other business entity, including its affiliates, that:

17 (i) is independently owned and operated;

18 (ii) is not dominant in its field; and

19 (iii) employs 50 or fewer full-time employees.

20 (b) (1) An economic impact analysis rating and an economic impact analysis,
21 as appropriate, shall be prepared by the appropriate Executive Branch agency for each
22 regulation that the agency proposes for adoption pursuant to Title 10, Subtitle 1 of this
23 article.

24 (2) A copy of the economic impact analysis rating and the economic impact
25 analysis required under this subsection shall be submitted by the appropriate agency:

26 (i) to the Department of Legislative Services no later than the time
27 the agency submits the regulation to the Committee to allow the Department to comment
28 on the economic impact analysis rating and the economic impact analysis; and

29 (ii) to the Committee at the time the agency submits the regulation
30 to the Committee.

1 (d) The economic impact analysis rating and the economic impact analysis
2 required under this section shall include:

3 (1) estimates directly relating to the following factors, as appropriate:

4 [(1)] (I) cost of providing goods and services;

5 [(2)] (II) effect on the workforce;

6 [(3)] (III) effect on the cost of housing;

7 [(4)] (IV) efficiency in production and marketing;

8 [(5)] (V) capital investment, taxation, competition, and economic
9 development; and

10 [(6)] (VI) consumer choice; AND

11 (2) **A CERTIFICATION STATING, AFTER POSTING THE REGULATION OR**
12 **SCOPE OF THE REGULATION AS REQUIRED BY § 10-110(D)(3)(VII) OF THIS ARTICLE,**
13 **WHETHER THE AGENCY HAS RECEIVED NOTICE OF WHETHER ANY EXISTING**
14 **REGULATION OF A COMPARABLE NATURE THAT IS AT LEAST AS STRINGENT AS THE**
15 **PROPOSED REGULATION HAS BEEN ADOPTED BY A UNIT OF A LOCAL GOVERNMENT.**

16 (e) (1) The Executive Branch agency or the Department of Legislative Services
17 preparing the economic impact analysis rating and the economic impact analysis required
18 under this section shall consult with, as appropriate:

19 (i) other units of State government;

20 (ii) units of local government; and

21 (iii) business, trade, consumer, labor, and other groups impacted by
22 or having an interest in the regulation.

23 (2) On request of the Executive Director of the Department of Legislative
24 Services, a unit of the State or a local government shall provide the Department with
25 assistance or information in the preparation of an economic impact analysis rating and
26 economic impact analysis.

27 (3) **IF THE PROMULGATING UNIT CERTIFIES, AFTER POSTING THE**
28 **REGULATION OR SCOPE OF THE REGULATION AS REQUIRED BY § 10-110(D)(3)(VII)**
29 **OF THIS ARTICLE, THAT THE UNIT HAS RECEIVED NOTICE OF AND DETERMINED**
30 **THAT AN EXISTING REGULATION OF A COMPARABLE NATURE THAT IS AT LEAST AS**
31 **STRINGENT AS THE PROPOSED REGULATION HAS BEEN ADOPTED BY ANY UNIT OF**

1 LOCAL GOVERNMENT, THE UNIT MAY INCLUDE IN THE UNIT'S PROPOSED
2 REGULATION A STATEMENT THAT COMPLIANCE WITH THE LOCAL REGULATION WILL
3 CONSTITUTE COMPLIANCE WITH THE PROPOSED REGULATION.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.