Testimony of Kevin Freeman

Before the House Economic Matters Committee

In <u>Support</u> of HB 1018, the Maryland Economic Stabilization Act-Revision

February 25, 2020

Good Afternoon Chairman Davis, Vice Chairwoman Dumais and Members of the Committee:

Thank you for this opportunity to share my views about HB 1018, the Maryland Economic Stabilization Act. Most of all thank you Chairman Davis and Delegate Fischer for introducing this bill.

I have worked for Shoppers Food for 32 years. I am currently a meat cutter at Shoppers #2618 in New Carrollton, which is still open. But while I remain employed, I sadly cannot say the same about many of my UFCW Local 400 sisters and brothers who once worked at Shoppers. Their stories tell us all we need to know about why HB 1018 is so urgently needed.

Some 16 months ago, United Natural Foods, Incorporated, or UNFI, bought Shoppers in order to get rid of it. In case that sounds odd, let me repeat that: UNFI bought Shoppers to get rid of it. How this makes sense is beyond me. The company had no intention in remaining a grocery store.

Then, UNFI left us in limbo for over a year, telling us nothing about whether our stores would be closed or sold, and if to, to whom. We demanded answers but were met with stone cold silence.

In December, UNFI lowered the boom: Thirteen stores would be sold to several different operators. Four would be closed entirely in the next two weeks. And more than 1,000 hardworking men and women were faced with a Christmas in which their kids would not be getting the presents they expected.

The notice given at many of these stores was far less than the 60 days required under federal law, because UNFI took advantage of a gaping loophole: Individual stores with fewer than 50 employees working more than 20 hours a week are exempt. And UNFI made a mockery of state guidelines by completely ignoring them.

The Maryland Economic Stabilization Act will fix these problems. It will turn voluntary guidelines into requirements. It will get rid of the loophole UNFI took advantage of by ensuring the companies with more than 50 employees in the state — not per-store, but Maryland-wide — must comply with the law.

My Shoppers sisters and brothers avoided some of the worst impacts of the current state of affairs because of their union representation. My union gained them the opportunity to transfer to another store or accept severance pay and four months of health care coverage to ease the burden. But all Maryland workers should be entitled to the protection that HB 1018 will provide.

In passing this bill, Maryland will join the 23 other states that have laws requiring notice of mass layoffs with stronger provisions of the federal WARN Act. Please act to protect your hardworking constituents from the kind of greedy, destructive damage UNFI has inflicted on my co-workers. Thank you.