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February 5, 2021

<u>OPPOSE – HB 581 - Labor and Employment - Employment Standards During an</u> <u>Emergency (Maryland Essential Workers' Protection Act)</u>

Dear Chairman Davis and Members of the Committee:

Choptank Electric Cooperative respectfully opposes HB 581 because of the employer mandates it creates during an "emergency" that are already covered or are completely unworkable for this trusted community partner delivering electricity to 54,000 rural homes and businesses.

The new mandates in HB 581 include:

- 1) A \$3.00 per hour additional "hazard pay" requirement for all workers deemed "essential," regardless of existing compensation considerations.
- Reimbursement of all healthcare expenses during an emergency, regardless of existing employer-provided healthcare programs and regardless of the reason for the expense.
- 3) New leave mandates for bereavement and health needs, regardless of existing sick, vacation or PTO policies.
- 4) A right to refuse work for "essential" employees during an emergency.
- 5) New workplace safety standards using subjective criteria; and
- 6) New emergency preparedness planning with regulatory oversight, regardless of current planning programs.

Choptank Electric Cooperative (CEC) would be covered as an essential employer under the definitions in the bill on page 6, line 24, as a "company that provides utility maintenance services."

During the current COVID pandemic State of Emergency that began in March of 2020 and continues today, CEC has taken significant steps to protect employees and their families while ensuring the continued distribution of electricity to members on the Eastern Shore. CEC allows most employees to work from home or travel to utility maintenance sites directly from home with bucket trucks and other equipment to avoid gathering at office locations. Customer service staff in our Member Service Center and in the Accounting Department who were unable to work from home, have at times instead worked every other day on staggered schedules while being paid full salaries. We have avoided layoffs and have been flexible to accommodate the needs of our staff and their families. To protect workers who may come in contact with electricity, CEC has always paid for and provided access to industry approved Personal Protection Equipment (PPE). With the onset of the COVID emergency, CEC procured and provided to all 160 employees hand sanitizer and facemasks. CEC issued company directives for employees to follow all CDC guidelines for mask use, hand washing, gathering and travel. Since March, an upgraded sanitizing and cleaning schedule has been maintained at all facilities for essential workers.

Our existing Collective Bargaining Agreement covers 100 employees. Salaries for employees who are expected to work during emergencies such as hurricanes, blizzards or outages on Christmas Eve and other holidays are formulated based on that aspect of response. The wage scale recognizes the hazards of the work and/or the inconvenience of responding to outages at night and during inclement conditions.

If enacted as drafted, the hazard pay portion of the bill would impact 75% of our workforce. The cost would be just over \$1 million for a state of emergency lasting 12 months. These are costs that would be paid by the electric consumer members who own the cooperative, many of whom have been unemployed and hard pressed to pay their electric bills.

Under HB 581, essential workers have a right to refuse to work during an emergency. For an electric cooperative, that could mean extended and dangerous electric outages for members. Snowstorms, hurricanes and other weather events are often classified as emergencies, sometimes before they arrive, to facilitate state and federal emergency assistance. Keeping the lights and heat on for members will become significantly more challenging under this provision of the bill.

CEC has long been recognized as a good employer on the Eastern Shore, one that appreciates its workforce and provides for a strong work/life balance that benefits families. The provisions of HB 581 are unnecessary for our business and will make electric service to our member families more expensive and less reliable. We urge an unfavorable report.

Sincerely,

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