



**House Bill 581 – Labor and Employment – Employment Standards during an Emergency
(Maryland Essential Workers’ Protection Act)**

House Economic Matters Committee

February 5, 2021

Oppose

The Maryland Bankers Association (MBA) represents FDIC-insured community, regional and nation-wide banks that employ more than 26,000 Marylanders and hold more than \$182 billion in deposits in over 1,400 branches across our State. The Maryland banking industry serves about 6 million customers across the State and provides an array of financial services including residential mortgage lending, business banking, estates and trust services, consumer banking and more.

MBA has concerns regarding House Bill 581. This well-intended legislation specifies a series of employee and workplace protections for frontline workers, with which all Maryland businesses must comply during a state of emergency. While the banking industry is not specifically listed in the legislation, banking is a part of the country’s critical infrastructure, deemed to be essential, and thus covered by the bill.

MBA supports appropriate workplace and employee protections and the industry has taken sweeping actions to support and protect our employees and customers during the pandemic. Banks act regularly to protect and support employees during emergencies and we do not object to the intent of the bill. Importantly, during the pandemic, the action steps banks are taking are ongoing and adaptive, so that the protection and support provided changes as the needs, risks and concerns related to the emergency evolve.

The following pages include examples of how Maryland banks are working to protect and support their employees, customers, and communities. While these examples, may not align perfectly with the bill language, they are strong examples of how the banking industry is already complying with the spirit of the bill and importantly, going above and beyond to help their employees.

However, the legislation, as drafted presents unworkable implementation challenges and ambiguities. While MBA supports appropriate employee and workplace protections; however, we have strong concerns with the legislation as drafted.

Examples of Maryland Bank Actions to Support and Protect Employees and their Families during the Pandemic

Emergency Action Plans:

Unlike many industries, all banks are required by federal and state law to have written and comprehensive plans for disasters and emergencies. These plans are consistently and regularly reviewed by federal and state banking regulators.

- The plans are designed to assure that their employees, facilities and assets are secure and fully equipped to handle emergency situations. Further, Maryland banks are prepared with contingency plans in place that enable them to provide customers and their businesses with uninterrupted service.
- In addition, all financial institutions, have an in-depth pandemic plans that includes procedures, resources, and logistics for a pandemic. These include PPE, telecommuting capabilities, sanitation procedures, working from different locations, closing lobbies, utilizing drive up facilities, sanitation procedures, and human resources functions.

Safe & Hygienic On-site Working Conditions:

Safe working conditions are a priority for banks. In response to the pandemic and changing work conditions, Maryland banks immediately took action to protect and support their employees – and their families. Examples include:

- Instituting/enhancing preventative measures at branch and office locations to protect the health of both customers and employees, including regular deep cleaning of facilities, practicing “social distancing,” and offering remote work options for employees, equipping employees to work remotely, restricting business travel, rotating schedules for customer service and sales representatives (10 days off and 10 days working), and closing customer access to lobbies except for appointments.
- Implemented enhanced cleaning procedures in branches, offices, customer contact centers, and operations centers following CDC and public health guidance, and increased shipments of hand sanitizer wipes and other supplies.
- Augmented daily cleaning procedures and frequency with stronger disinfectant products on high tech surfaces and have made hand sanitizers available to clients. Enhanced employee safety measures such as requirement to wear gloves to handle cash.
- Employees are provided with complimentary PPE and required masks etc. in bank buildings for all visitors and employees, based on CDC recommendations, etc. Additional PPE supplies are provided regularly and as needed. The company also provides safety kits to all employees working on-site in branches and offices.
- Bank employees have access to free testing and, if one tests positive, the bank informs those who have close contact and the local Departments of Health.
- Eliminated all nonessential travel and strongly discouraged gatherings of 10 or more employees.

- Determine spacing, social distancing, and interaction guidelines – implemented protocols and educated employees with notices and constant communications. Utilized floor spacers and Plexiglas separators.
- Installed equipment to preserve air quality in workspaces: Portable air filtration units in high-occupancy locations; MERV-13 hospital-grade air filters in all administrative building HVAC systems that can accommodate this upgrade; Special ultraviolet lighting (UV-C) systems to kill pathogens that enter heating and cooling systems.
- Physical barriers (clear plastic partitions) have been installed at locations where six horizontal feet (two meters) of distance cannot be achieved for permanently stationed employees, and in branches to protect bankers and customers when six feet of social distancing is not possible.
- Sanitizers, wipes, and other supplies are made available to all employees in operations centers, call centers, branches, and trading floors due to the critical role these employees play in serving customers and maintaining our companywide operations. Sanitizers and wipes or suitable alternatives are available in all common areas.
- Dramatically increased Team Member Care staff to answer employee questions about workplace safety, health, and other concerns.

Expanded Home Working Options:

The banking industry immediately expanded work at home options as well as mobile, remote, and bank by appointment banking options to help protect employees and customers. Examples of expanded home working options follow.

- Greatly expanded work from home options for employees and provided stipends so employees can purchase equipment, office furniture, etc. to properly set up their workspace in their homes.
- Employees with an existing health condition, that place them at greater health risk if exposed to the virus, can provide medical certification to not enter the work place. Under these circumstances, the employee would be provided the ability to work remotely if their position makes this feasible; or would have the employee placed on a non-medical leave until it's determined by their physician it's permissible to return to work, and conditions for potential exposure can be controlled.
- Established a set of protocols so high-risk or potentially infected employees can stay at home, as well as procedures for reporting suspected exposures and cleaning facilities after confirmed exposures.
- Encouraging customers to use mobile, online and voice banking services, as well as ATMs, drive-thru locations and night depositories at branch locations.
- Installed signs at branches and added messages on ATMs asking those who are sick or quarantined to do their banking digitally until they are well.
- Restricted access to contact centers, operations centers, and trading floors to only those employees working there.

- Comply with local, state and federal laws and guidelines – developed a Business Continuity Committee and Return to Work Taskforce that meet on a regular basis to review current guidelines and then create plans to implement and/or communicate if appropriate.

Hazard Pay, Healthcare Assistance, and Leave:

Employee well-being is a priority for Maryland banks and the industry provides comprehensive benefits packages to employees, including healthcare, paid time off and bereavement leave. Additional pay and time off has been implemented and designed to help support employee needs. Examples of additional pay, healthcare and leave options and actions taken during the pandemic to help bank employees and their families follow:

- Pay for employees who are absent due to illness, suspected illness, quarantine, high-risk categories or school/daycare closures; Pay for employees who stay home due to branch closures; Additional pay per hour for all non-exempt employees physically working on site; Special enrollment opportunity for employees and their dependents in health care plan; All employees are eligible for all customer financial relief options; Waived fees for telemedicine visits for employees;
- Updated bank’s medical plan to eliminate coinsurance and fully cover the cost of any medically necessary screening and testing for COVID-19. In addition, cost sharing will also be reduced to \$0 dollars for medical virtual office visits for any reasons at a number of providers.
- Provided a one-time payment for front-line employees who are required, as an essential business, to be physically in the office full-time during the ‘stay at home’ orders and for those that are providing in-person services to the general public. The bank also increased its family leave benefits (in excess of the federal mandate) during the pandemic period. It continues to re-evaluate how to help employees as the crisis progresses and needs arise.
- Special one-time \$1,000 bonus for Employees unable to work remotely (split in \$550 payments for April and May 2020). \$100 per month subsidy for telephone/internet service for Employees who did not previously work from home. This is still in place. All Employees received a one-time \$500 bonus in December (in addition to incentive pay).
- Developed an employee loan program to assist staff with hardship expenses related to COVID-19.
- Developed an employee relief fund, which provides resources to colleagues who face a catastrophic disaster or financial hardship resulting from an event beyond their control. This program is available to those affected by coronavirus and is intended to help team members, especially those with limited resources, get back on their feet with basic necessities. Added new flat grants of up to \$1,500 that qualifying employees can use for mortgage, rent, or other assistance while continuing to work.
- Created two benefit programs for employees impacted by COVID:
 - Enhanced Personal Leave (EPL) is available to employees who are not able to work remotely due to lack of care for a family member, suffering from or having been potentially exposed to COVID-19. The leave will provide 100% of an employee’s current base pay. Leave is recommended to be taken in weekly increments based on regularly scheduled hours. (I.e. 40 hours if that is the normal weekly schedule)

- COVID Hardship Leave (CHL) - Full-time employees are eligible for up to twelve weeks of leave time, based on their regular schedule over a 2-week period. Part-time employees are eligible for up to twelve weeks of leave time, based on hours equal to the number of hours the employee works, on average, over a 2-week period.
- In addition to providing Emergency Paid Sick Leave and Expanded FMLA paid leave under the FFRCA provisions, which were voluntarily extended beyond the 12/31/20 federal mandate; the bank also provides additional paid sick leave (5 days) for employees who have exhausted their sick benefit accrual due to an eligible COVID related absence. Employees who participate in the bank's health plan have all testing and vaccination costs covered under the health plan.

Supporting Employees and their Families:

Banks recognize that employees are also struggling to meet additional family needs and responsibilities caused by the pandemic. Examples of how Maryland banks are working to help support employees and their families follow:

- To enhance support for employees who are parents and caregivers, the bank is offering employees several new resources:
 - **Caregiving services:** Access to a website where employees can search among more than 6 million caregivers or post an ad for a caregiver. The bank is paying the membership fee for employees and the cost of basic background checks.
 - **Virtual tutors:** Up to five hours of virtual tutoring per month per employee at no cost to the employee, with help available in more than 100 subjects for grades K-12 plus college entrance exams.
 - **Child care centers:** Priority placement and reduced tuition rates at certain child care and education support centers nationwide.
 - This is in addition to the support that has been available to our employees since the beginning of the pandemic, including 20 days of subsidized back-up child care.
- Offered financial support for child care for eligible employees with children under 13, including a \$100 per day reimbursement for eligible employees seeking child care through their own personal networks for up to 40 days. Financial support also provided for dependent adult care.
- Offering extra paid time off for employees if time is needed to take care of children while schools are suspended.
- Employees, whether they are home because of lack of child care or as a precaution, will be paid their regular salary without being docked sick days.
- Provided and delivered 10 face masks per employee to provide PPE to not just the employee, but their family members. A second PPE shipment was made to employees a couple of months later.