



DATE: February 5, 2020

TO: House Economic Matters Committee

FROM: Peter Kitzmiller (President)
Travis Martz (General Counsel)

RE: HB 581 (Delegate D. E. Davis)

POSITION: OPPOSITION

The Maryland Automobile Dealers Association (MADA) represents over 300 franchised new car and truck dealers, and their 24,000 employees. We strongly oppose HB 581.

First and foremost, Maryland dealers greatly respect the responsibility they have as essential employers to maintain a clean work environment and enforce proper safety protocols. Maryland dealers also offer health care and flexible leave programs. HB 581 imposes burdensome mandates that will force dealers to reconsider the retention of employees during a state of Emergency even when the employee desires to continue employment.

MADA is most concerned about the hazard pay and reimbursement for uninsured healthcare costs provisions of HB 581. In reference to the former, an extra \$3/hour retroactive to the start of an Emergency period actually dissuades employers from offering employment which is contrary to what many workers actually want. In reference to the unreimbursed health care costs that fall on employer's shoulders under HB 581, it is illogical for employers to pay health care costs if an employee's exposure to a virus is not linked to the obligations of their employment.

Essentially, HB 581 will force dealers to trim their workforce to a bare minimum as opposed to keeping many Maryland residents gainfully employed with company health insurance.

MADA respectfully asks the House Economic Matters Committee to give HB 581 an unfavorable report.