

MELONY G. GRIFFITH  
*Legislative District 25*  
Prince George's County

PRESIDENT PRO TEMPORE

Budget and Taxation Committee



James Senate Office Building  
11 Bladen Street, Room 220  
Annapolis, Maryland 21401  
301-858-3127 · 410-841-3127  
800-492-7122 Ext. 3127  
Melony.Griffith@senate.state.md.us

THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

March 4, 2021

**Senate Bill 801 - Labor and Employment – Economic Stabilization Act – Alterations**

**Testimony of (Favorable)**

Chair Kelly, Vice Chair Feldman, and members of the Senate Finance Committee, I am pleased to present Senate Bill 801, which alters the current legislation by developing mandatory guidelines and clarifying requirements for employers faced with a reduction in operations. This bill seeks to update the provision adopted in SB 780 (2020).

SB 801 will:

- Redefine a portion of “reduction in operations” to include an employer's relocation that reduces the total number of employees by at least 25% or 15 employees.
- Outline employee circumstances exempt under this notice requirement. An employee may not be counted in the determination of a reduction in operations if the employer offers to transfer the employee to:
  1. A different site of employment within a reasonable commuting distance; or
  2. If said employee accepts within 30 days after the employer’s offer to transfer.
- An employer is not required to provide written notice if :
  1. They were actively seeking capital or business that would have enabled the employer to avoid or postpone the reduction in operations or reasonably believed that providing the written notice required would have disallowed the employer from gaining the necessary capital or business; or
  2. The reduction in operations is caused by business circumstances that were not predictable 60 days prior. (eg. natural disasters).
- Require employers to provide said notice, when the reduction is a result of the sale of the business.
- Require employers to notify the Chief Elected Official of the political subdivision, or the Chief Elected Official of the subdivision to which the employer paid the most taxes for the current year.

\*Stakeholders continue to work on a few areas of the bill, so there may be minor tweaks needed through amendments. With that, I thank you for the opportunity to present Senate Bill 801, I respectfully request a favorable report.