MARYLAND
Chamber of Commerce

LEGISLATIVE POSITION:
Unfavorable
Senate Bill 530
Maryland Fair Scheduling Act
Senate Finance Committee

Thursday, February 17, 2022

Dear Chairman Wilson and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 members and federated partners working to develop and promote strong public policy that ensures sustained economic health and growth for Maryland businesses, employees, and families.

Senate Bill 530 requires food service and retail establishments to pay employees for at least four hours (even if the shift they work is for less than this) for each on-call shift for which the employee reports to work. The bill also requires the employer to pay an employee who has an on-call shift but is not called in to work two hours of pay for each on-call shift that is less than four hours and 4 hours of pay for each on-call shift that is more than four hours. Lastly, if an employee agrees to work a shift that falls within eleven hours after their most recent shift, the employer must pay them 1.5 times their normal wage rate.

Currently, Oregon is the only state to have a restrictive scheduling law in place that impacts retail, hospitality and foodservice. While scheduling laws are intended to create more predictable schedules for workers in targeted industries, they almost always result in unnecessary burdens for both employers and employees. Retail and foodservice establishments are heavily reliant on foot traffic, which results in unpredictable demand. For example, a snowstorm would decrease foot traffic and keep people at home, reducing the number of employees needed that day. Conversely, an unseasonably warm winter day would increase foot traffic and the employer would need additional staff on hand. SB 530 would prohibit employers from being able to respond to these changes in demand.

Evidence from San Francisco, who has a similar scheduling mandate, has shown that twenty percent of impacted businesses reduced the number of part-time hires they made, and a similar proportion reduced the number of employees they scheduled per shift. The Washington Post also reported that many employees in San Francisco were unhappy with the mandate as it limited the employers' ability to offer last minute extra shifts.

Lastly, the COVID-19 pandemic has proven just how flexible retail and foodservice employers need to be when it comes to scheduling. Many employers faced significant staffing shortages due to employees testing positive or having to enter quarantine due to exposure. An employer's ability to reach out to other employees when faced with a scenario like this is critical to them being able to stay open and serve the community.

The Maryland Chamber of Commerce respectfully requests an **unfavorable report** on **SB 530**.