



## House Bill 317

**Position: Unfavorable**

Committee: Economic Matters

Date: February 17, 2026

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Founded in 1968, the Maryland Chamber of Commerce (“Maryland Chamber”) is a statewide coalition of more than 7,000 members working to develop and promote strong public policy that ensures sustained economic growth and opportunity for all Marylanders.

House Bill 317 (HB 317) creates a certification and pause process for recipients of state funds that would create a waterfall of joint and several liability and ultimately generate unintended negative consequences for small businesses. To be clear, the Maryland Chamber supports full compliance with existing labor laws, but we are concerned that HB 317 would impose significant administrative burdens and operational risks on businesses without a clear mechanism to enhance enforcement effectiveness.

Businesses are already required to comply with existing labor law reporting requirements, and by requiring annual certifications and authorizing payment pauses, HB 317 would only duplicate existing compliance efforts while generating joint and several liability that could result in dire financial situations for small businesses. For example, HB 317 would require state agencies to pause assistance or contracts if certifications are not submitted timely. Such pauses could jeopardize critical projects, investment decisions, and workforce stability, slowing economic growth in Maryland.

HB 317 creates a scenario in which a general contractor is subject to a pause in payment, which would ultimately leave many subcontractors and workers without payment. As a result, HB 317 effectively creates a waterfall of joint and several liability that would result in unintended consequences for small businesses and workers. **For these reasons, the Maryland Chamber respectfully requests an unfavorable report on HB 317.**