MARYLAND
Chamber of Commerce

House Bill 314

Date: February 4, 2026
Committee: House Economic Matters
Position: Unfavorable

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

House Bill 314 (HB 314) would impose additional reporting requirements and financial penalties against employers that adopt automated technologies, thereby penalizing employers for adopting new technologies that could streamline operations to lower costs, increase workplace safety, and make Maryland's economy more competitive.

HB 314 incorrectly assumes a direct causal relationship between automation and job loss, and HB 314 broadly levies reporting and financial burdens against businesses when automated technology "contributes" to workforce reductions. *See page 2, line 10*. As a result, HB 314's broad contributory threshold will lead to confusion and compliance issues within Maryland's economy.

Workforce reductions are influenced by a wide range of economic factors, including consumer demand, inflation, supply chain disruptions, and *regulatory costs*. Additionally, many automation investments are made to support existing jobs, not eliminate them, by enabling companies to grow, expand operations, and upskill current employees.

HB 314's proposed assessment on employers effectively functions as a tax on innovation. For many businesses—especially small and mid-size employers—this added cost could limit hiring, delay expansion, or encourage relocation to states with more supportive business environments. This outcome would ultimately reduce job opportunities in Maryland rather than protect them.

Finally, businesses already contribute significantly to workforce development through training programs, partnerships with community colleges, and internal reskilling initiatives. As a result, a collaborative approach that incentivizes retraining and innovation—rather than punitive assessments—would be far more effective in preparing Maryland workers for the future economy.

HB 314 seeks to financially punish companies for utilizing automated technology that supports the work of current employees, places additional reporting burdens on employers, and will unintentionally limit economic growth in Maryland. For these reasons, the Maryland Chamber respectfully requests an unfavorable report on HB 314.