



## House Bill 69

Date: February 17, 2025

Committee: Government, Labor, and Elections

**Position: Unfavorable**

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Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 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.

To codify a federal rule that was struck down by a federal judge in 2024, House Bill 69 (HB 69) would alter current exemption from overtime pay for individuals who are employed to work in an administrative, executive, or professional capacity. As a result, HB 69 would create significant additional costs for employers, limit potential job creation, and create payroll management challenges. Further, HB 69 could disrupt pay scales and employment agreements that exist for certain managers and individuals who work in a professional capacity.

By applying overtime laws to individuals who work in professional capacities that include nonmanual office work or business management, HB 69 may unintentionally result in lower pay for many workers in Maryland. As employers across the state adapt to the changes delineated in HB 69, many employers may choose to pay lower salaries to office and management staff with the expectation that those individuals would be additionally compensated with additional overtime on an as-needed basis. Many of those office workers and managers may not receive the opportunity to work overtime, which would result in an overall lower annual amount of pay for those individuals.

Due to the disruptive nature of applying overtime laws to salaried office and management staff that would create challenges for both employer and employees, **the Maryland Chamber of Commerce respectfully requests an unfavorable report on HB 582.**