



House Bill 1480

Position: Unfavorable

Committee: Government, Labor, and Elections

Date: March 12, 2026

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 1480 (“HB 1480”) would significantly expand the authority of Maryland’s Public Employee Relations Board (PERB) by granting it jurisdiction over private-sector labor disputes. This proposal raises serious concerns about regulatory overlap, legal uncertainty, and the disruption of the longstanding framework governing labor relations in the United States.

For decades, labor relations involving private-sector employers and employees have been governed primarily by federal law through the National Labor Relations Act and administered by the National Labor Relations Board (NLRB). By contrast, PERB was established to oversee labor relations involving public employees within Maryland. Expanding PERB’s authority to address private-sector disputes would blur this clear division of authority and introduce a new layer of state regulation into an area traditionally governed at the federal level.

In addition, the legislation appears to conflict with established federal preemption principles under the U.S. Supreme Court’s decision in *San Diego Building Trades Council v. Garmon* (1959). That decision requires states and state courts to defer to the NLRB when a dispute is arguably subject to the National Labor Relations Act. By creating a state-level forum to address matters that may fall within federal jurisdiction, HB 1480 risks inviting legal challenges and creating unnecessary conflicts between state and federal authority.

Beyond these jurisdictional concerns, the bill would also create significant uncertainty for employers and employees. Businesses could face confusion about which agency has authority over particular labor disputes, particularly when both state and federal laws could apply. This type of overlapping regulatory structure increases the likelihood of inconsistent interpretations of labor standards and could result in duplicative proceedings or conflicting rulings.

HB 1480 could also substantially increase compliance costs for Maryland employers, especially small businesses that often lack in-house legal counsel or human resources departments. Navigating multiple regulatory systems for labor relations could force small businesses to spend additional time and financial resources on legal guidance and administrative compliance rather than investing in their employees or expanding their operations.

Another concern is that expanding PERB’s jurisdiction may create additional litigation risk. Opening a new state-level venue for labor disputes could encourage forum shopping, increase the

number of complaints filed, and lengthen the time it takes to resolve disputes. Prolonged legal proceedings can be costly and disruptive for small businesses that depend on stable operations and predictable rules.

Finally, the proposal risks placing Maryland's employers at a competitive disadvantage compared to businesses operating in other states. Introducing additional layers of labor regulation unique to Maryland could discourage investment and make it more difficult for businesses—particularly small employers—to expand or relocate operations within the state.

Small businesses play a critical role in Maryland's economy and already face a complex regulatory environment. Creating overlapping labor relations systems and expanding state jurisdiction into areas traditionally governed by federal law would add unnecessary complexity and uncertainty. **For these reasons, the Maryland Chamber respectfully requests an unfavorable report on HB 1480.**

