

Chairwoman Wells, Vice Chairman Kerr, and Members of the Government, Labor and Elections Committee:

I am Lee Schalk, Senior Vice President of Policy at the American Legislative Exchange Council (ALEC). At the invitation of State Delegate Tom Hutchinson, I appreciate the opportunity to speak with you today and share ALEC's nonpartisan research and analysis on reforms included in HB 1079.

ALEC is a nonprofit, nonpartisan organization headquartered in Virginia made up of state legislators from across the country. Our mission is to promote the principles of limited government, free markets, and federalism – principles that strengthen both states and their citizens.

Today, I will be highlighting key reforms within HB 1079 that increase government efficiency and transparency while reducing unnecessary and overly burdensome regulations on Maryland citizens and businesses. These reforms also align with the ALEC Model Policy, [An Act to Establish the Office of Regulatory Management](#), which is featured in the [ALEC Essential Policy Solutions for 2026](#).

The best evidence for what HB 1079 can accomplish has already played out in a neighboring state. In 2022, Virginia Gov. Glenn Youngkin signed Executive Order 19 to create the Office of Regulatory Management to bring consistency to the regulatory procedure and create a review process for existing regulations. Though the new Virginia Governor's administration already removed the ORM website featuring its many accomplishments, I will gladly run through several of the highlights.

The office was created with three primary objectives in mind: reduce regulatory requirements in Virginia by 25%, improve efficiency in the regulatory and permitting approval process, and increase regulatory transparency through cost-benefit analysis.

Following the implementation of the Executive Order, the Office of Regulatory Management [exceeded](#) its goals. By late 2025, the Office estimated that it saved Virginia over \$1.2 billion each year, or \$380 per household. It is also estimated that it reduced or streamlined requirements by over 35%. Regulatory review times in the Governor's office were 88% faster than historical averages. Additionally, every regulation and guidance document was publicly available online.

These reductions translated into [real, tangible improvements](#) for everyday Virginians. The Department of Professional and Occupational Regulation decreased average license processing times from 33 days to just five days. Through updates to the building code, the Office estimates that the cost of a new home was cut by \$24,000.

The Virginia reform resembles the ALEC model policy [An Act to Establish the Office of Regulatory Management](#). The purpose of the model policy is straightforward: create an institutional structure that enhances transparency, reduces unnecessary regulatory burdens, and ensures that new regulations are evidence-based and cost-effective. HB 1079 reflects these same core principles.

Like the ALEC model policy, HB 1079 expands regulatory transparency through reporting requirements and requires the agencies to develop strategies to increase efficiency. These reforms would deliver immediate, measurable benefits to Maryland workers and entrepreneurs.

HB 1079 allows Maryland to take a proven step toward a more efficient, transparent, and accountable government. It is not an untested experiment. HB 1079 is aligned with reforms that generated \$1.2 billion in annual savings for Virginia, shortened licensing wait times, and regulatory requirements by more than a third.

HB 1079 aims to ensure that every regulation on the books is achieving its intended purpose – efficiently, transparently, and at the lowest reasonable cost to the people of Maryland.

Thank you for the opportunity to speak and I am happy to answer any questions.