



House Bill 1356

Position: Unfavorable

Committee: Government, Labor, and Elections

Date: March 5, 2026

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 recovery and growth for Maryland businesses, employees, and families.

House Bill 1356 (“HB 1356”) creates sweeping and ambiguous new liabilities that will significantly disrupt workplace management, increase litigation exposure, and create negative, unintended conflicts with other areas of law.

The bill’s definitions of “civic activity,” “political activity,” and “lawful expression” are overly broad, and as introduced the bill’s protections would extend to public online speech, affiliations, advocacy campaigns, boycotts, or expressive conduct that directly implicates an employer’s brand, customer relationships, contractual obligations, or mission.

For example:

- An employee publicly advocating for positions directly adverse to the employer’s clients or core services may create reputational and business harm.
- Online speech that targets the employer or coworkers could impair recruitment, retention, and customer trust.
- Employees in mission-driven or public-facing organizations engaging in expressive conduct that is incompatible with the organization’s publicly stated values.

Additionally, the standards contained within HB 1536 are vague and will ultimately require judicial interpretation, placing employers in the untenable position of choosing between enforcing workplace policies and risking costly litigation.

The creation of a 120-day rebuttable presumption of retaliation is concerning. *See page 6, line 4.* Under this provision, any adverse employment action taken within 120 days of activity would automatically be presumed unlawful and the burden would be shifted to employers—even where the decision is based on documented performance deficiencies, restructuring, economic necessity, or misconduct unrelated to civic activity. This presumption:

- Invites strategic timing of claims.
- Encourages litigation over routine employment decisions.
- Increases insurance costs and compliance expenses.
- Places small businesses, in particular, at significant financial risk.

Even where employers ultimately prevail, the cost of defending against such claims—legal fees, discovery, reputational harm, and lost productivity—can be substantial.

The bill's restrictions on employer communications would inadvertently chill legitimate internal dialogue. Employers frequently communicate with employees about public policy issues that affect operations, industry regulation, taxation, labor standards, and compliance requirements. The bill's language could create uncertainty about whether such communications—especially when attendance is required during work hours—may later be characterized as unlawful. Employers must retain the ability to provide information about pending legislation affecting their industry. The lack of precise guardrails in HB 1356 risks transforming ordinary workplace communication into potential litigation.

Many employers—particularly in finance, healthcare, government contracting, and regulated industries—are required to monitor conflicts of interest, outside affiliations, and certain political activities to comply with federal and state law. The bill's limitations on maintaining or using information about civic or political activity could conflict with these compliance obligations.

Additionally, employers may have contractual commitments to customers, partners, or government entities requiring adherence to codes of conduct or reputational safeguards. HB 1356 may restrict employers' ability to enforce those commitments when employee conduct materially affects contractual relationships.

At a time when Maryland employers face rising labor costs, regulatory complexity, and competitive pressures from neighboring states, adding a broad new category of employment litigation risk will increase compliance costs, raise employment liability insurance premiums, and discourage business expansion and investment. **For these reasons, the Maryland Chamber respectfully requests an unfavorable report on HB 1356.**

