



HOTEL • MOTEL • RESTAURANT • ASSOCIATION • INC.

TESTIMONY OFFERED ON BEHALF OF THE OCEAN CITY HOTEL-MOTEL-RESTAURANT ASSOCIATION

**IN SUPPORT OF SB594 Labor and Employment - Maryland Healthy Working Families Act – Verification**  
Before the Finance Committee, February 25, 2021

Dear Chairman Kelley and Members of the Finance Committee,

On behalf of the Ocean City hospitality industry and our 400+ members, I am writing to respectfully request your support of SB594. This bill has been narrowly drafted for a specific purpose to close the loophole previously created. Seventy percent of our tourism businesses are only open seasonally and are not like big corporations. For them, days 107-120 are an extremely critical time. It is time at the end of their season when staffing shortages begin due to seasonal staff returning to school, yet business is still booming.

Maryland tourism businesses are primarily small businesses and every summer, Ocean City tourism businesses offer close to 12,000 seasonal positions. These entry level positions and are filled by teenagers, college students and many are first-time employees. Entry-level jobs are meant to be just that, an entry into the job world. These hospitality job creators provide thousands of people with the opportunity to be part of a team. Entry level jobs teach what it means to show up on time, how to deal with the public and how to budget; skills that need to be learned for survival.

While paid sick leave may have good intentions, it has caused many employers to carefully analyze and evaluate their hiring practices. New regulations have led to a reduction of other benefits, reduction in hours for many positions, caused earlier lay-offs and shifted to businesses that traditionally stayed open in the shoulder seasons to now close earlier to avoid increased payroll costs.

Our members have reported an abuse of the current policy and because verification is not provided until *after* leave is taken, an employer has no rights. Staff members are basically taking leave because it is “owed” to them and walking off the job before the season is over to claim their sick days. This leaves businesses with limited staff to provide the services customer demand. By requiring verification and communicating such upon time of hire, we believe that this will eliminate the abuses.

Please assist Maryland’s seasonal businesses by closing the loophole. Please feel free to contact me directly at 410.726.0334 with any questions. Thank you for considering support of SB594.

Sincerely,

A handwritten signature in black ink that reads "Susan L. Jones".

Susan L. Jones, Executive Director