



LEGISLATIVE POSITION:

Unfavorable

Senate Bill 449

Unlawful Employment Practices – Remedies

Senate Judicial Proceedings Committee

Tuesday, February 15, 2022

Dear Chairman Smith and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,500 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.

SB 449 would increase the caps on the amounts of compensatory damages and punitive damages that may be awarded to a complainant in an unlawful employment case. Additionally, SB 449 would increase the statute of limitations, from 2 years to 3 years, for which a claimant may recover back pay in an unlawful employment case and the time in which a complainant may file a civil action that alleges an unlawful employment practice.

Relating to the increase of the caps on compensatory damages, Maryland law currently mirrors federal law. Removing those caps, which were carefully calibrated to balance employee rights against an employer's cost of doing business, would create greater liability and uncertainty for employers in these specific cases. Similarly, the 2-year statute of limitations was also designed to balance employee and employer interests. Extending the statute of limitations would make it more difficult and costly for employers to defend themselves in these cases, as witnesses leave, document retention becomes more challenging (an employer may not know that a claim is pending), and memories fade.

Since current Maryland law strikes the appropriate balance between employee and employer interests relating to these cases, the Maryland Chamber of Commerce respectfully requests an **unfavorable report** on SB 449.