EXECUTIVE ORDER
01.01.2018.04

Reorganization of State Government –
Office of Small Business Regulatory Assistance

Submitted to the President of the Senate and the Speaker of the House of Delegates
of Maryland

Date: January 15, 2018

AN EXECUTIVE ORDER PURSUANT TO ARTICLE II, SECTION 24 OF THE
CONSTITUTION OF MARYLAND

AN EXECUTIVE ORDER concerning

Reorganization of State Government –
Office of Small Business Regulatory Assistance

FOR the purpose of establishing an Office of Small Business Regulatory Assistance
in the Department of Labor, Licensing, and Regulation and assigning the
duties formerly exercised by the Office of the Business Ombudsman in the
Office of the Governor to the Office of Small Business Regulatory Assistance;
requiring the Office of Small Business Regulatory Assistance to perform
certain new duties; and generally relating to reorganization of State
government.

BY adding to,
Article – Business Regulation
Section 2-103.1
Annotated Code of Maryland
(2015 Replacement Volume and 2017 Supplement)
BY repealing,
   Article - Economic Development
Section 14-201 through 14-205 and the subtitle “Office of the Business
   Ombudsman”
(2008 Volume and 2017 Supplement)

Preamble

WHEREAS, House Bill 1 of the 2017 Session of the Maryland General Assembly
   (“Maryland Healthy Working Families Act”) was vetoed on May 25, 2017, the veto
   was subsequently overridden by the Maryland General Assembly, and the bill
   became Chapter 1 of the Acts of 2018;

WHEREAS, a strong and healthy workforce benefits all Marylanders and the State
   of Maryland has a commitment to expand access to paid leave in the workforce in a
   manner that does not burden job creators;

WHEREAS, the Committee on Paid Leave Policy submitted its findings in a final
   report after six months conducting in-person interviews with impacted
   organizations, individuals, employees, and employers from across the entire state;

WHEREAS, the findings of the report reveal that the Maryland Healthy Working
   Families Act contains potentially unintended consequences that negatively impact
   small businesses and workers;

WHEREAS, small businesses are concerned about fully complying with the
   prescriptive and complicated provisions of the Maryland Healthy Working Families
   Act in order to minimize the risk of being found in violation of the law with the
   presumption of guilt, which carries with it severe civil penalties;

WHEREAS, the Maryland Healthy Working Families Act creates unnecessary
   hardships and lacks clarity regarding verification for leave used between the 107
   and 120 calendar days for employers in the tourism and hospitality industries,
   especially in places around the state that have a high demand for seasonal workers
   during peak seasons;

WHEREAS, working Marylanders have expressed concern about revealing intimate
   personal details to their employers in order to access sick leave;
WHEREAS, Maryland workers should not be unnecessarily laid off and small businesses should not be forced to shut their doors in order to comply with overly strict, burdensome, and costly regulations;

WHEREAS, small-businesses job creators who desire to remain in compliance with sick leave and other labor laws may need additional resources;

WHEREAS, personal employee information and required employer documentation must be handled with sensitivity; and

WHEREAS, the Business Ombudsman serves as a liaison between businesses, economic development organizations, communities, and federal, State, and local units and agencies; now, therefore,

SECTION 1. BE IT ORDERED BY THE GOVERNOR OF MARYLAND, PURSUANT TO ARTICLE II, SECTION 24, OF THE CONSTITUTION OF MARYLAND, That Sections 14-201 through 14-205 of the Economic Development Article and the subtitle “Office of the Business Ombudsman” be repealed.

SECTION 2. AND BE IT FURTHER ORDERED, That:

Article – Business Regulation

2-103.1.

(A) (1) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) “Office” means the Office of Small Business Regulatory Assistance.

(3) “Executive Director” means an individual appointed by the Governor who directs the activities of the Office of Small Business Regulatory Assistance and serves as a liaison between businesses, economic development organizations, communities, and federal, State, and local units and agencies.

(B) (1) There is an Office of Small Business Regulatory Assistance in the Department.
(2) **THE PURPOSE OF THE OFFICE IS TO:**

(i) **assist businesses with the implementation of the Maryland Healthy Working Families Act and other labor and licensing laws and regulations;**

(ii) **resolve problems encountered by businesses interacting with State agencies;**

(iii) **facilitate responsiveness of State government to business needs;**

(iv) **serve as a central clearinghouse of information for business assistance programs and services available in the State;**

(v) **assist businesses by referring businesses and individuals to resources that provide the business services or assistance requested;**

(vi) **provide comprehensive permit information and assistance;**

(vii) **establish and maintain metrics in order to monitor the progress of the Office and report the data to the Governor and the General Assembly; and**

(viii) **report and make recommendations to the Governor and the General Assembly regarding breakdowns in the delivery of economic development resources and programs, including problems encountered by businesses interacting with State agencies.**

(c) **THE OFFICE SHALL:**

(1) **assist in the adoption of regulations necessary for the implementation of the Maryland Healthy Working Families Act;**

(2) **establish, maintain, and update each year a list of the business assistance programs and services in the State, including the names, locations, web site addresses, and telephone numbers of the entities providing the programs and services;**

(3) **implement a business fairness and responsiveness service that:**

(i) **resolves problems encountered by businesses with other State agencies and regional and local economic development organizations;**
(ii) Coordinates programs and services implemented by federal, state, and local agencies;

(iii) Facilitates responsiveness of state government to business needs; and

(iv) Reports to the Governor and the General Assembly regarding any breakdowns in the delivery of economic development resources and programs;

(4) Develop and maintain a program to provide comprehensive information to the public regarding permits required for business initiatives, projects, and activities;

(5) Establish and implement procedures to assist permit applicants who have encountered difficulties in obtaining timely and efficient permit review; and

(6) Administer and oversee the State Customer Service and Business Development Efforts Training Program under subsection (d) of this section.

(d) (1) There is a State Customer Service and Business Development Efforts Training Program.

(2) The purpose of the program is to increase the responsiveness of and improve customer service provided by State agencies to businesses and customers in the State.

(3) The Office shall develop State customer service standards that incorporate best practices for providing excellent customer service.

(4) Each agency shall:

(i) Create a customer service improvement plan;

(ii) Review and incorporate the Office's State customer service standards in the agency's customer service improvement plan;

(iii) Develop and conduct customer service training for each employee who interacts with businesses and members of the public on a regular basis;

(iv) Adopt and distribute a standard customer service satisfaction survey for each person the agency serves;
(V) ESTABLISH AN INCENTIVE OR RECOGNITION PROGRAM FOR
EMPLOYEES WHO PROVIDE EXCELLENT CUSTOMER SERVICE; AND

(VI) REPORT EACH YEAR ON:

1. THE TRAINING PROVIDED TO EMPLOYEES,
   INCLUDING:
   
   A. THE NUMBER OF TRAININGS;
   
   B. THE FREQUENCY OF TRAININGS; AND
   
   C. THE SPECIFIC SUBJECT OF EACH TRAINING;

2. THE RESPONSES RECEIVED FROM CUSTOMER
   SERVICE SATISFACTION SURVEYS DISTRIBUTED UNDER PARAGRAPH (IV) OF THIS
   SUBSECTION;

3. THE PROGRESS OF THE AGENCY'S CUSTOMER
   SERVICE, INCLUDING THE METRICS THE AGENCY USES TO ASSESS THE CUSTOMER
   SERVICE OF THE AGENCY; AND

4. THE AGENCY'S MEASURABLE GOALS FOR
   CONTINUING TO IMPROVE CUSTOMER SERVICE FOR THE UPCOMING YEAR.

(5) Each year the Office shall evaluate the State
    Customer Service and Business Development Efforts Training Program
    and make recommendations regarding the program.

(e) (1) Each year, the Office shall submit a report to the
    Governor and, in accordance with § 2–1246 of the State Government
    Article, the standing committees of the General Assembly having
    jurisdiction over economic development matters.

(2) The report shall contain:

(i) Information regarding the performance of the
    Office, including data indicating the effectiveness of programs and
    procedures regarding permitting;

(ii) Data specifying the number of businesses and
    individuals that have contacted the Office or used the services of the
    Office; and
(III) RECOMMENDATIONS REGARDING IMPROVEMENTS TO
EXISTING LAWS RELATING TO ECONOMIC DEVELOPMENT.

(3) THE REPORT SHALL INCLUDE INFORMATION AND
RECOMMENDATIONS DEVELOPED FOR THE STATE CUSTOMER SERVICE AND
BUSINESS DEVELOPMENT EFFORTS TRAINING PROGRAM UNDER SUBSECTION (D) OF
THIS SECTION.

(F) THE GOVERNOR SHALL INCLUDE FUNDS IN THE STATE BUDGET TO
IMPLEMENT THIS SUBTITLE, INCLUDING FUNDS TO:

(1) EMPLOY A FULL-TIME EXECUTIVE DIRECTOR; AND

(2) OPERATE AND MAINTAIN AN OFFICE.

SECTION 3. AND BE IT FURTHER ORDERED, That all persons who, as of
the effective date of this Order, are employed in the Office of Business Ombudsman
in the Office of the Governor are hereby transferred to the Office of Small Business
Regulatory Assistance in the Department of Labor, Licensing and Regulation
without any change or loss of rights or status, and shall retain their merit system
and retirement system status.

SECTION 4. AND BE IT FURTHER ORDERED, That any transaction
affected by or arising from any statute here amended, repealed, or transferred, and
validly entered into before the effective date of this Order and every right, duty, or
interest flowing from it remains valid after the effective date and may be
terminated, completed, consummated, or enforced pursuant to law.

SECTION 5. AND BE IT FURTHER ORDERED, That all rules and
regulations, proposed rules and regulations, standards and guidelines, proposed
standards and guidelines, orders and other directives, forms, plans, memberships,
special funds, appropriations, grants, applications for grants, contracts, property,
investigations, administrative and judicial proceedings, rights to sue and be sued,
and all other duties and responsibilities associated with those functions transferred
by this Order shall continue in effect under the Office of Small Business Regulatory
Assistance upon transfer to the Department of Labor, Licensing and Regulation.

SECTION 6. AND BE IT FURTHER ORDERED, That any unexpended
appropriation for the purpose of financing the Office of the Business Ombudsman
shall be transferred by approved budget amendment to the Department of Labor,
Licensing and Regulation.
SECTION 7. AND BE IT FURTHER ORDERED, That this executive order shall become effective and have the force of law on this 15th day of January, 2018, unless specifically disapproved within 50 days after submission, by a resolution of disapproval concurred in by a majority vote of all members of either House of the General Assembly.

GIVEN Under my Hand and the Great Seal of Maryland, in the City of Annapolis, this 15th day of January, 2018.

[Signature]

LAWRENCE J. HOGAN, JR.
Governor of Maryland

ATTEST:

[Signature]

JOHN C. WOBENSMITH
Secretary of State