

The Honorable Larry Hogan  
Governor  
State House  
100 State Circle  
Annapolis, Maryland 21401

The Honorable Boyd K. Rutherford  
Lieutenant Governor  
State House  
100 State Circle  
Annapolis, Maryland 21401

The Honorable Thomas V. Mike Miller, Jr.  
President  
Senate of Maryland  
State House, H-107  
Annapolis, Maryland 21401

The Honorable Michael E. Busch,  
Speaker  
Maryland House of Delegates  
State House, H-107  
Annapolis, Maryland 21401

Re: MSAR #11434 - 2018 Annual Report Office of Small Business Regulatory Assistance (01.01.2018.04)

Dear Governor Hogan, Lieutenant Governor Rutherford, President Miller, and Speaker Busch:

Business Regulation Article Section 2-103.1 of the Annotated Code of Maryland requires the Office of Small Business Regulatory Assistance to annually report to the legislature on the performance and activities of the office. Specifically, the report must include:

- Data indicating the effectiveness of programs and procedures regarding permitting;
- Data specifying the number of businesses and individuals contacting the office for assistance;
- Recommendations regarding improvements to existing laws related to economic development; and
- Recommendations developed for the State Customer Service business development efforts training program.

The Department of Labor, Licensing and Regulation and the Office of Small Business Regulatory Assistance (OSBRA) are pleased to present OSBRA's inaugural annual report. Since its inception in January 2018, OSBRA has quickly gained momentum by conducting outreach and assisting the business community. Moreover, OSBRA has developed communication tools and outreach strategies with the express goal of establishing partnerships to achieve results.

In 2018, OSBRA developed internal mechanisms and processes to facilitate assistance to small businesses, employees, and constituents. OSBRA now successfully manages inquiries, concerns, and compliance matters for Maryland's business community. Thank you for the opportunity to assist and serve Maryland's business community. We are honored to have this opportunity to work towards improving Maryland's business climate.

Sincerely,



James E. Rzepkowski  
Acting Secretary

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# Introduction

In January 2018, Governor Hogan signed Executive Order 01.01.2018.04 establishing the Office of Small Business Regulatory Assistance (OSBRA) to assist small businesses in implementing new laws and regulations, including the Maryland Healthy Working Families Act. OSBRA functions within the Department of Labor, Licensing, and Regulation (DLLR) Office of the Secretary. Along with assisting in the implementation of the Maryland Healthy Working Families Act, OSBRA facilitates responsiveness of state government to small business needs and serves as a central clearinghouse of information for business assistance programs and services available in the state.

OSBRA has become the focal point for small business assistance, resolving problems encountered while interacting with State agencies and quickly addressing questions and concerns related to compliance and implementation of laws and regulations. Moreover, OSBRA educates the business community on laws, regulations, amendments, state initiatives and incentives; processes general business inquiries; and refers and provides business resources.

## The Office of Small Business Regulatory Assistance Role & Function

OSBRA is committed to supporting economic development and growth within Maryland's business community. In 2018, OSBRA assisted Maryland's business community by:

- Advising businesses on local, state, and federal government regulations and processes;
- Connecting businesses to local, state, and federal resources;
- Resolving issues encountered while interacting with other State agencies; and
- Advocating for business interests and acting as a liaison and ombudsman.

As part of our commitment to customer service, OSBRA has developed an internal communication system that facilitates the reception of, and response to, business concerns within 24-72 hours. Typically, OSBRA responds to customers within 24-hours by utilizing the following tools:

- A dedicated email box for sick and safe leave inquiries and responses;
- A dedicated email box for General Business inquiries, requests, and business resources;
- A dedicated telephone line for direct communication to discuss business concerns and ombudsman related issues;
- The OSBRA website through the Department of Labor and Licensing at: <https://www.dllr.state.md.us/paidleave/>

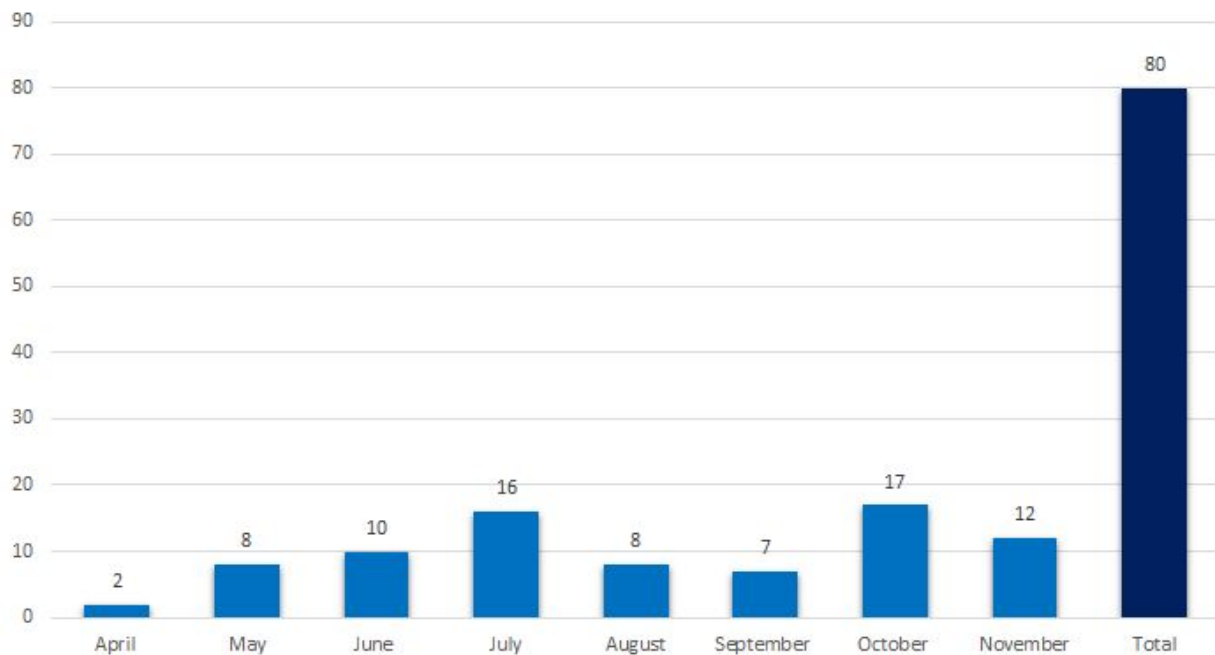
- Information & Education Webinars to extend information in a convenient, innovative format.

OSBRA has implemented a dynamic marketing outreach strategy that facilitates connections with businesses, community leaders, and industry associations. OSBRA focused on announcing its role and function to Maryland’s business community while disseminating information and providing guidance on regulatory issues. OSBRA diligently engaged Maryland businesses by establishing, growing, and maintaining valuable relationships with diverse stakeholders.

OSBRA has actively engaged:

- Business Resource Providers
- Chambers of Commerce
- Community Advocate Organizations
- Economic Development Organizations
- Industry Sectors & Trade Associations
- Local Government Agencies & Municipalities
- Non-profit Organizations
- Professional Organizations
- State Agencies

### Outreach and Education Presentations



Note: Maryland Healthy Working Families Act went into effect February 11, 2018

# 2018 Highlights

Under the leadership of Secretary Schulz and Executive Director Mike Pantelides, the Office of Small Business Regulatory Assistance (OSBRA) had a successful inaugural year proactively engaging businesses, providing informative presentations, and responding to the needs of Maryland's small businesses. By utilizing diverse communication techniques, OSBRA was able to quickly extend services to employers and employees across Maryland. The majority of OSBRA activities focused on implementation, compliance, and education regarding the Maryland Healthy Working Families Act (MHWFA).

## Sick and Safe Leave Outreach and Education Activities

### 2018 Outreach Success:

In 2018, OSBRA established an email, [small.business@maryland.gov](mailto:small.business@maryland.gov), to facilitate inquiries from Maryland's small businesses. OSBRA has received and resolved numerous inquiries from the business community, including:

- 3,792 Sick and Safe Leave e-mails providing responses related to MHWFA compliance and interpretation of frequently asked questions.
- 184 regulatory assistance inquiries for which OSBRA assessed problems or concerns; discussing a plan of action; and directly connecting small businesses to the appropriate resource or agency for resolution.
- 139 Sick and Safe Leave inquiries obtained through various sources (calls, meetings, inter-agency referrals, etc.) with detailed responses provided related to implementation and compliance.

OSBRA outreach efforts included a communications campaign contacting state and local chambers of commerce, industry professionals, and economic development associations to establish a pipeline for presentations and company visits for sick and safe leave education to organization members:

- 70 Chambers of Commerce
- 25 Industry Sectors and Professional Membership Associations
- 24 Economic Development Organizations

### ***Restaurant Association of Maryland Mid-Atlantic Expo Outreach***

OSBRA coordinated with the Restaurant Association of Maryland (RAM) and Matthew Helminiak, DLLR's Commissioner of Labor and Industry, in an effort to provide information, education, and guidance to RAMs' members, employers and employees. In October 2018, OSBRA and the Division of Labor and Industry engaged over 500 stakeholders by participating in RAM's Mid-Atlantic Expo. DLLR's participation provided additional clarity and guidance to RAM members on complex legal questions stemming from the Maryland Healthy Working Families Act .

The RAM event was a unique opportunity for employers and managers to learn more about compliance and have questions answered by the Office and the Department of Labor. . Commissioner Helminiak addressed labor laws and special provisions in MHWFA regarding tipped employees working additional hours or trading shifts instead of using earned sick and safe leave.

OSBRA continues to work with RAM to provide a list of industry specific sick and safe leave questions and answers circulated to RAM's 2,000 member restaurants to assist with compliance.

## **Maryland Healthy Working Families Act Small Business Community Assistance Provided**

OSBRA has assisted businesses in interpreting, analyzing, and complying with the Maryland Healthy Working Families Act (MHWFA). By assisting Maryland's businesses in compliance matters, OSBRA simultaneously ensures the success of Maryland businesses and facilitates implementation of the MHWFA.

OSBRA sick and safe leave compliance assistance provided to employers includes:

- Making company visits with Human Resources professionals and management;
- Providing educational presentations to employers on sick and safe leave laws;
- Partnering with small business advocacy groups to extend outreach, information, and education on sick and safe leave laws;
- Participating in statewide business networking events to disseminate information; and
- Developing specific questions and answers for specific industries.

# Governor Hogan's Customer Service Initiative

OSBRA is responsible for administration and oversight of the Customer Service Workgroup in conjunction with:

- Chair, Greg Derwart, Maryland Department of Commerce, Managing Director Administration;
- Co-chair, Mike Morello, Governor's Office of Performance Improvement Director; and,
- Co-chair, Mike Pantelides, Maryland Department of Labor, Licensing, and Regulation, Office of Small Business Regulatory Assistance Executive Director.

2018 OSBRA customer service activities included:

- Reviewed and edited the Governor's Customer Service Heroes Award;
- Participated in customer service training with the Customer Experience Professionals Association (CXPA);
- Met with agency customer service liaisons, DLLR trainers, and the Constituent Services Director regarding Intranet Quorum (IQ) inquiries and training;
- Developed a Customer Service Workshop proposal for the Maryland Municipal League 2019 Summer Conference presentation;
- Participated in DLLR's "State Employee Appreciation Day." OSBRA created and displayed gold stars acknowledging individual employees for providing exceptional customer service to constituents. Employee information was received from customer feedback on Customer Service surveys.
- Reviewed and analyzed agency Customer Service Survey weekly reports; and
- Updated the Customer Service Portal.

The Customer Service Workgroup includes representatives from the Governor's staff and liaisons from each Maryland agency. The Governor's 2018 Customer Service Initiative Annual Report can be found here: [http://www.maryland.gov/Pages/FY18\\_Annual\\_Report.pdf](http://www.maryland.gov/Pages/FY18_Annual_Report.pdf)

## Economic Development Collaboration & Partnerships

OSBRA's role is dependent upon relationships and support of the state's economic development community. Strengthening communications and building strong and effective internal and external partnerships is crucial to OSBRA's mission.

## Government Agency Collaboration

The Office partners with local, state, and federal agencies to achieve its mission. Through collaborative training and functional partnerships, OSBRA is able to further its goals and improve Maryland's business climate. Every partnership ensures that OSBRA successfully helps Maryland's small business community thrive.

OSBRA has partnered with the Department of Commerce to secure use of the software Salesforce for generating metrics and reports, created an updated Small Business Resource Guide pamphlet, and assisted Commerce in efforts to promote the Small Business Relief Tax Credit, the new tax credit incentive related to the MWHFA. OSBRA has also provided information to the business community during outreach activities.

Maryland's Department of Assessments & Taxation (SDAT) is currently incorporating information on the Paid/Unpaid Sick Leave legislation on SDAT's website directing businesses to OSBRA for additional information. In 2019, SDAT will begin updating acknowledgement letters sent to new business owners informing them of MHWFA requirements for Maryland businesses.

## External Partnerships

OSBRA assists small business owners by referring and introducing them to organizations outside of Maryland's government agencies. These agency relationships are beneficial in assisting small businesses with resources to sustain and grow businesses and promote and support the Maryland Healthy Working Families Act.

In 2018, OSBRA was able to assist with the following external partnerships:

- AARP media marketing campaigns (radio, mail, website, print) from April-June 2018 promoting sick and safe leave. OSBRA had discussions with AARP regarding marketing and promotions. AARP included DLLR/OSBRA website links and printed information.
- OSBRA joined the Center for Law and Social Policy and 22 jurisdictions around the country that passed sick and safe leave laws to participate in the "Making Paid Sick Days Work: Sharing Strategies Conference." The conference agenda included skills-building opportunities, best practices for enforcement, strategic communication, exploratory sessions crowdsourcing ideas, and a series of workshops focused on effective implementation, compliance, complaint processes, enforcement, calculating sick days, labor standards, changing industry practices, technology, outreach, metrics, and relationship building.
- The Maryland Chamber of Commerce is working with OSBRA to provide MHWFA compliance survey responses from members for feedback and review for MHWFA legislative improvement recommendations.



- The Maryland Economic Development Association has provided a platform for OSBRA to inform and educate economic development professionals and acted as a conduit for disseminating information for OSBRA.
- The Restaurant Association of Maryland (RAM) collaborates with OSBRA and the Division of Labor and Industry regularly regarding questions from member restaurants.
- The U.S. Small Business Administration (SBA) continues to partner with OSBRA, inviting OSBRA to participate with SBA/Small Business Development Center (SBDC) programs and outreach events.

## Conclusion & Future Plans

OSBRA is improving methodologies, creating mechanisms, and developing strategies to ensure that Maryland's businesses are prepared to respond to new laws. OSBRA will continue to utilize information, outreach, and education to assist the business community with regulatory and compliance challenges.

Moving forward, OSBRA's future plans and goals include:

- Working to position OSBRA as a primary State contact for providing regulatory compliance assistance and education; the response and resolution unit for small business inquiries, concerns, requests, regulatory issues, and referrals.
- Creating a model marketing outreach strategy for small business advocacy and education.
- Communicating challenges, barriers, and ideas expressed by the business community to state government policymakers and leaders that affect laws and regulations regarding the business community.
- OSBRA intends to be the state's primary office for centralizing and navigating business resources for constituents and Maryland's small business community statewide.

OSBRA is committed to assisting Maryland's diverse business community with resolving compliance and regulatory challenges of small businesses in Maryland.

*For questions about this report, please contact staff:*



**MICHAEL PANTELIDES**

Executive Director

Maryland Department of Labor, Licensing and Regulation

500 N. Calvert Street, 4th Floor

Baltimore, MD 21202

(410) 230-6362

[mike.pantelides@maryland.gov](mailto:mike.pantelides@maryland.gov)



**Victor Clark, Jr.**  
(410) 230-6073  
[victor.clark@maryland.gov](mailto:victor.clark@maryland.gov)



**Stacey Harvey-Reid**  
(410) 230-6032  
[stacey.harvey-reid1@maryland.gov](mailto:stacey.harvey-reid1@maryland.gov)



**Kylie Schade**  
(410) 767-1061

[kylie.schade@maryland.gov](mailto:kylie.schade@maryland.gov)



**Janice Walker-Emeogo**  
(410) 230-6012  
[janice.walker1@maryland.gov](mailto:janice.walker1@maryland.gov)