

MSAR # 11434

3/20/2023

The Honorable Wes Moore, Governor
State House, 100 State Circle
Annapolis, Maryland 21401

The Honorable Aruna Miller, Lieutenant Governor
State House, 100 State Circle
Annapolis, Maryland 21401

The Honorable Bill Ferguson, President
Senate of Maryland
State House, H-107
Annapolis, Maryland 21401

The Honorable Adrienne A. Jones, Speaker
Maryland House of Delegates
State House, H-107
Annapolis, Maryland 21401

Dear Governor Moore, Lieutenant Governor Miller, President Ferguson, and Speaker Jones:

Business Regulation Article Section 2-103.1 of the Annotated Code of Maryland requires the Office of Small Business Regulatory Assistance (OSBRA) to annually report to the legislature on the performance and activities of the office.

The Maryland Department of Labor and OSBRA are pleased to present OSBRA's Annual report. This report, which is inclusive of all of the work the OSBRA team has done since inception in 2018 to assist, partner, and collaborate with colleagues and customers internally, as well as externally with state agencies, to accomplish initiatives designed to assist constituents, small businesses, and entrepreneurs. OSBRA has developed communication tools and outreach strategies with the express goal of establishing partnerships to achieve results.

OSBRA continues to develop internal mechanisms and processes to facilitate assistance to small businesses, employees, and constituents. OSBRA successfully manages inquiries, concerns, and compliance matters for Maryland's business community. Some of the responsibilities are assisting businesses with understanding the Maryland Healthy Families Work Act, regulatory assistance, unemployment insurance, and finding COVID 19 resources. The office also plays a critical role in the statewide customer service initiative.

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. The office has helped clients find resolutions to issues not just within the Department of Labor but across all state agencies examples include Department of Health, Commerce, DHCD, Transportation, SDAT Environment and many others.

Best Regards,



Portia Wu
Secretary
Maryland Department of Labor

The Office of Small Business Regulatory Assistance Annual Report Fiscal Year 2022

I. Background and Mission

The Office of Small Business Regulatory Assistance (OSBRA), created in 2018 through Governor Hogan’s Executive Order Number 01.01.2018.04, was established to assist the Department of Labor in disseminating information through outreach and assisting small businesses with implementation of Maryland Healthy Working Families Act and other regulations affecting Maryland small business owners and entrepreneurs. The Unit’s charter also includes functions to: facilitate responsiveness of state government to small business needs, serve as a central clearinghouse of information for business assistance programs, and services available in the state. OSBRA also encompassed the ombudsman role that entails coordinating and collaborating with other state agencies to assist in resolving state regulatory issues for business owners.

The Office serves as a point of contact and liaison for small businesses between state and local agencies interfacing with for-profit and nonprofit organizations, chambers of commerce, industry related professional, and civic associations focused on small businesses.

Our efforts are achieved through active outreach to our customers and in-reach to our colleagues through electronic mail, telephone, social media channels, webinars, direct meetings, partnerships, presentations, speaking engagements, networking, and event participation.

This report will give an overview of what the office has accomplished since its formation in 2018.

II. Regulatory Assistance

The team provides small business owners and entrepreneurs with information and business resources serving as a conduit to assist them in navigating local and state regulatory processes and navigation within those agencies. This function has enabled our unit to regularly interact internally with other Labor units and collaborate externally with other state agencies.

Typically, the office helps customers with regulatory issues in regards to licensing, permitting, and regulatory compliance. However, due to the COVID -19 Pandemic, the requests received by our office shifted. Our customers needed to know which businesses had permission to remain open and what grants and loans were available from the state to help them.

The office helps clients find resolutions to issues not just within the Department of Labor but across all state agencies. Examples include Department of Health, Commerce, DHCD, Transportation, SDAT Environment and many others.

As part of our commitment to customer service, OSBRA has developed an internal communication system that facilitates receipt 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 Maryland Department of Labor at: <https://www.dllr.state.md.us/paidleave/>

The team maintains dedicated emails to answer any questions from the business community.

- General Business Inquiries: osbra.inquiry@maryland.gov
- Sick and Safe Leave Inquiries: small.business@maryland.gov

More information can be found at our website <https://www.dllr.state.md.us/osbra/>

Examples of Client Assistance

- Assisted a new Maryland business owner who acquired four new nursing homes. The business owner required assistance integrating into Maryland's Medicaid program. OSBRA staff worked closely with the business owner(s) and the Maryland Department of Health to resolve the issues the owner was experiencing.
- Assisted a non-profit entity with grant funding associated with Preservation Maryland and the Historical Trust Grant Funding.
- Assisted an out of state legal services company in connecting to staff at the Maryland Department of Assessments and Taxation (SDAT) to completely convert and register as a Maryland business.
- Researched a license flag problem for a Hispanic owned restaurant business and supplied information to obtain a prompt resolution from the Maryland Department of Labor/Unemployment.
- Provided information and guidance to the Maryland Health Benefit Exchange to fulfill a request they had in identifying a list of fifty small businesses in Maryland.

III. Customer Service

Customer Service Surveys- Taking an Internal Look at Customer Service within the Department of Labor

During the pandemic, many staff assignments within the agency were changed or updated, which created some confusion as it related to the Points of Contacts (POCs) for the various departments and negatively affected the ability to provide accurate Customer Service. Constituents were unable to get a “live” voice on the phone or obtain accurate email addresses or phone numbers to contact staff when needing assistance.

Recognizing this dilemma, OSBRA staff created an activity, using the customer service survey comments, in which we reviewed the agency web pages in an attempt to edit and update information for customers. The project consisted of conducting a review of each Department/Unit web page(s) to ensure accurate phone numbers, email addresses, contact information, and web-related processes were available to constituents. The following data was revealed during the review process:

- 83 Phone numbers
- 79 webpages reviewed
- 9 Department/Units web pages updated
- 5 non-working phone numbers (Unemployment Insurance)

This was a vigorous and intense project which we hope will enable MDOL to provide our constituents with accurate information needed when seeking Customer Service. See: <https://docs.google.com/spreadsheets/d/1-rW6mbBhYC-A7hghJI0sjLo9WxtqamEX/edit#gid=1682559699> for detailed information related to the project.

Governor’s Customer Service Initiative

OSBRA works in collaboration with the Governor’s Office of Improvement and Performance (GOPI), and with the Governor’s Office of Executive Services to oversee the statewide Customer Service Initiative. OSBRA is responsible for the administration and oversight of the Customer Service Workgroup, which includes representatives from the Governor’s staff and liaisons from each State agency.

OSBRA continues to be instrumental in the implementation of agency training sessions, annual reporting, award selection, and processing for the Governor's Heroes Awards. In (insert year), OSBRA developed the Awards and Recognition Standard Operating Procedure (SOPs) in an effort to streamline the current process and establish consistency in the awardee selection.

Annually, OSBRA is part of the team that provides assistance in developing the Governor's Customer Service Report. This report provides a highlighted compilation of agency reports acknowledging performance and processes implemented for improving customer service experiences throughout the State.

The OSBRA Executive Director also serves as the Vice Chair for the Governor's Customer Service Initiative. The primary responsibility of the Vice Chair is to facilitate the increase of responsiveness to and improvement of the customer service experience provided by state agencies to businesses and customers in the state.

(<http://www.maryland.gov/pages/customerservice.aspx>). The Vice Chair also resents at Commerce Sub Cabinet Meetings.

Governor Hogan's "Heroes" Customer Service Awards: Every month, the leaders of the Governor's Customer Service Initiative were responsible for reaching out to all participating agency Customer Service Liaisons to nominate state personnel who exemplify excellence in customer service. The Initiative's leaders then reviewed, scored, and selected the highest scoring nomination, based on a standard application. Nominations were forwarded to the Governor's Office for review and once approved, the Governor's Office held a formal ceremony during the monthly Board of Public Works meeting. The winner subsequently received the Customer Service Hero Award presented by the Governor.

Ceremonial photos can be found at events on the Governor's Photo Gallery website: <http://govpics.maryland.gov/pages/Default.aspx> and the Office of Performance and Improvement post photos and narratives on the "Customer Service Heroes" webpage at <https://gopi.maryland.gov/category/customer-service/>.

IV. OSBRA Projects and Initiatives

The OSBRA staff possess an impressive amount of talent and experience based on the aggregate of individual backgrounds. The team has vast, seasoned knowledge and skill working with the small business community. The team has easily transferred and shared those talents in assisting other agencies and organizations. Additional opportunities were afforded to the OSBRA team to assist, partner, and collaborate with colleagues and customers both internally and externally, from other state agencies, in the accomplishment of statewide initiatives designed to assist constituents, small businesses, and entrepreneurs.

Initiatives outlined below, each had its own unique set of actions, functions and tasks that were required in order, in order to provide optimal outcomes. Each initiative is described below.

Unemployment Insurance

Assisted the Division's Unemployment Insurance with review, detection, and prevention of potential fraud. Labor detected hundreds of thousands of potentially fraudulent unemployment claims.

- [Maryland Department of Labor Detected Over 156,000 Potentially Fraudulent Unemployment Claims Filed Since January - News](#)
- [Maryland Has Detected Over 500,000 Potentially Fraudulent Unemployment Claim In Last Six Weeks - News - Department of Labor](#)

Sick and Safe Leave

OSBRA was responsible for assisting the Maryland Department of Labor in disseminating information and assisting small businesses with implementation of the Maryland Healthy Working Families Act, commonly referred to as Sick and Safe Leave, a law that affects all Maryland businesses and employees. OSBRA outreach efforts included a communications campaign to contact state and local Chambers of Commerce, industry professionals, and economic development associations in the formation of a pipeline for presentations and company visits for sick and safe leave education for organization members:

To facilitate inquiries from Maryland small businesses, the email address: small.business@maryland.gov was created. Through use of this email, OSBRA has received and resolved numerous inquiries from the small business community.

Grants Management

Procurement Technical Assistance Program (PTAP) and the Small Business Development Center (SBDC) Grants

One of OSBRA's team members has been assigned to manage the allocation and disbursement process of grant funding for the Procurement Technical Assistance Program (PTAP) and the Small Business Development Center (SBDC) Grants at the University of Maryland (UMD). The University submits invoices to MDOL for processing, along with the required financial reports quarterly.

Governor's Grants Office (GGO) Point of Contact (POC)

OSBRA team member serves as the POC to the Governor's Grants Office (GGO) for the Maryland Department of Labor. In this capacity, there is representation from LABOR at the Bi-monthly GGO Agency Grants POC meeting and the annual statewide GGO conference. Our team member collaborates with Divisions within the agency that receive State and Federal grants in the reporting of same and any updates from the State GGO. Any updates regarding process improvements and implementation of new procedures for grants management are

shared with all appropriate Divisions. At this time, the Division of Workforce Development and Adult Learning receives the majority of the grant funding for the agency.

Commerce Subcabinet

Established October 1, 2015, the Governor's Commerce Subcabinet is comprised of the Secretaries of the Departments of Commerce, Transportation, Labor, Environment, Housing and Community Development, Planning, and the Governor's Office of Small, Minority, & Women Business Affairs. Additional contributing Departments are the Higher Education Commission, Natural Resources, Smart Growth, and the Department of Assessments and Taxation.

The Subcabinet advises the Governor on proposals to enhance the state's business climate; gathers information the Subcabinet considers necessary to promote its goals; collaborates to facilitate and expedite critical economic development projects in the state; and provides other assistance that may be required to further the goals of the state and enhance its business climate. The Subcabinet was composed of ten state agencies, divided into five specific regions, creating Regional Resource Groups. The Regional Resource Groups were an extension of the Subcabinet dedicated to address the needs of business owners. OSBRA staff participated within the groups designated around the primary regions in the state.

Maryland Regional Resource Team

The Maryland Regional Resources team was formed in 2019 to help provide businesses with continued assistance and outstanding customer service. The five regional teams met regularly to assist businesses and local jurisdictions with economic development efforts, including issues related to transportation, workforce development, licensing, planning, and permitting, among others. This statewide collaborative effort streamlined resources made available to Maryland's workforce and business community.

Most of the OSBRA team worked with other state agency members composing the Southern Maryland Regional Resource team. Prior to the pandemic, the team toured several businesses in Calvert County to include the business, Kelly Generator & Equipment; local restaurant, Hook & Vine; and visited the Town of North Beach with Mayor Mike Benton. Topics of discussion included, tidal and coastal flooding and remediation ideas, among other environmental concerns. The tour was led by Gretchen Hardman, Southern Maryland Regional leader and liaison for the Governor's Office of Intergovernmental Affairs.

Coronavirus Pandemic response for municipal governments

OSBRA was tasked to lead the state Coronavirus pandemic response for municipal governments. We were responsible for coordinating weekly calls with all 157 municipalities

and State Cabinet Secretaries. The calls consisted of presentations from Cabinet Secretaries ranging from Health, Labor, Education, Commerce, and others. The purpose of this group was to make sure that local governments had all the information and resources they needed to help combat COVID-19. The office would rapidly respond to any requests by elected officials and provided coordination of intergovernmental responses.

Data Incidents

In response to two Data Incidents that occurred, OSBRA managed a dedicated phone line and email system. Responsibilities included ensuring coverage of all phone lines to answer calls from customers that may have been impacted by the incidents, and tracking and recording all phone calls and emails received.

Cyber Security Incident

The Maryland Department of Labor experienced a Cyber Security incident and initiated an investigation and determined that files stored on the Literacy Works Information System and a legacy unemployment insurance service database were subject to possible unauthorized access through the Internet. While some personally identifiable information may have been accessed without authorization, a thorough investigation conducted by the Department has not revealed any misuse of the accessed data. When the investigation was complete, the Department of Labor contacted the customers who were impacted by the incident and encouraged them to carefully monitor their accounts. Those who were affected were offered two years of free credit monitoring through an independent service. OSBRA was responsible for answering questions from the people who were affected. The Office set up a dedicated phone and email to answer questions. There were 400 inquiries to the office and we were able to enroll 1887 people in the credit monitor program.

Support for the Division of Workforce Development and Adult Learning

Jobs That Build (JTB) Grants Program & The Jobs that Build Employer Fund

The Office of Small Business Regulatory Assistance (OSBRA) since its inception, has worked seamlessly with all divisions of MD Labor. OSBRA provided staff support to MD Labor's Division of Workforce Development and Adult Learning (DWDAL) with an application review process for the Jobs That Build Employer Fund. The fund was launched by Governor Hogan with a \$15 million investment of Federal funds from The American Rescue Plan Act (ARPA), which was signed into law on March 11, 2021. DWDAL manages the fund to support employers working on infrastructure projects statewide who have been affected by the COVID-19 pandemic in attracting and retaining workers. The Jobs That Build (JTB) Employer Fund is designed with the flexibility to support businesses who have creative solutions to address a wide array of present-day challenges.

The American Rescue Plan Act (ARPA), signed into law on March 11, 2021, provided relief funds from the federal government to support economic recovery effects from the COVID-19

pandemic. Maryland is allocating ARPA funding to launch the Jobs That Build Employer Fund, which will help make historic improvements to both Maryland's 20th century transportation & utility infrastructure, as well as its 21st century information technology infrastructure.

In the current employment climate, MD Labor recognizes that competitive wages alone may not be enough to attract and retain employees. The Jobs That Build Employer Fund will support businesses who have creative solutions to address barriers that are significantly hindering workforce participation and retention. The Fund is designed with the flexibility to address a wide array of present-day challenges that are prohibiting entry into, or increasing departure from, the workforce.

Legislation Review

The OSBRA team reviewed proposed legislation from the State of Maryland and made suggestions on the legislative impact. In addition, they also prepared fiscal notes for the House and Senate on how those bills would affect the business community. On occasion, they were asked to testify before a committee on the proposed legislation.

IQ Inquiries

An OSBRA team member serves as the MD LABOR's point of contact to the Governor's Office for Correspondence and Constituent Services using the IQ system to receive, disseminate, track and edit constituent letters regarding the Maryland Department of Labor's programs and services. Leveraging IQ to develop a system for and tracking internal phone calls and emails relating to customer service issues within the agency.

V. Conclusion

OSBRA initially focused the majority of team efforts around the then new Maryland Healthy Working Families Act, or Sick and Safe Leave Law. OSBRA's primary function revolved around disseminating information to business owners regarding the new legislation and compliance.

A great deal of time and manpower was exerted and focused on business owners, employees, and constituent inquiries through dedicated email, telephone lines, and educational outreach activities. The increased awareness of Sick and Safe Leave has compelled OSBRA to revisit the Executive Order and redirect the Office's primary focus and strategy towards targeted statewide and local assistance for the business community to:

- Facilitate responsiveness of State government to business needs;
- Serve as a clearinghouse of information for business assistance programs and services available in the State;
- Assist by referring businesses and individuals to resources that provide business services or assistance requested;

- Identify and assist with resolving problems encountered by businesses with State agencies, regional, and local economic development organizations - public, private, and nonprofits;
- Coordinate programs and services implemented by state and local agencies.

OSBRA will continue to convey sick and safe leave information to small businesses. OSBRA in conjunction with the Department of Commerce will broaden its reach through statewide and local outreach to assist the business community, in addition to expanding the office's current scope and function. OSBRA intends to create synergy becoming the statewide "connector" for Maryland's business community.

OSBRA is constantly looking for ways to improve our engagement and broaden our outreach to our customers and partners. OSBRA is committed to assisting Maryland's diverse business community. We will continue to focus on Maryland's small business community exceeding customer expectations and customer experiences. We look forward to supporting the goals of Governor Wes Moore and our Secretary of Labor, Portia Wu.

Contact Information

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