



January 30, 2024

The Honorable Pamela Beidle
Chair, Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

The Honorable Katherine Klausmeier
Vice Chair, Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Dear Chair Beidle and Vice Chair Klausmeier,

I would like to express my full support for *Senate Bill 38 - Workplace Fraud and Prevailing Wage - Violations - Penalties and Referrals*.

Wage theft is one of, if not the most challenging obstacles that many of the workers in Maryland, especially those in the Building Trades industry, face every single day. There is an estimated \$60 million in wage theft yearly in Maryland and tactics can vary - they can look as simple as not paying the minimum wage, prevailing wage, or overtime, or as complicated as misclassifying workers based on the type of work they complete during their shifts.

There is no question that those who engage in wage theft are stealing money from the pockets of their employees and/or contractors. Period. However, this issue is far more widespread in Maryland than it should be, and this is a problem that needs to be corrected immediately for the sake of all Marylanders.

SB38 will require that the earnings statement provided to employees by employers be written on the physical pay stub or online pay statement and include the following important pieces of information: employer's name, the dates of work covered by the pay period, the number of hours worked, the rates of pay, the gross and net pay earned, the amount and purpose of all deductions, a description of the information used by the employer to calculate the employees gross and net pay, and for each employee paid at a piece rate, the applicable rate and number of pieces. These additional pieces of information will provide clarity for employees when it comes to their paychecks and allow them to keep better track of the monies being paid to them, as well as the deductions to their pay.

Adding in a layer of transparency mandated by law to every employer in Maryland is a very important first step to combatting wage theft. By forcing employers to "show their work" and shining a light in a gray area that bad actors like to get criminally creative in, Marylanders will be better protected against having their hard earned money stolen from them without their knowledge.

For these reasons, I strongly urge this committee to give *Senate Bill 38 - Workplace Fraud and Prevailing Wage - Violations - Penalties and Referrals* the highest consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Trone', is positioned above the printed name.

David Trone
Member of Congress