

February 1, 2024

Senator Pamela Beidle, Chair Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401

RE: SB 233 – <u>LETTER OF INQUIRY</u> – Employment Standards, Prevailing Wage, and Living Wage – Employer Adverse Actions – Prohibition

Dear Chair Beidle and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 233 would prohibit employers from taking or threatening to take adverse action against an employee when the employee takes certain actions, including making a complaint or inquires about his or her rights. The bill permits the Commissioner to investigate a violation, conduct an investigation, and issue an order, including assessing civil penalties. Additionally, within 3 years after the order, an employee may bring a private right of action to enforce the order. If the employee prevails, the court may award damages, including punitive and injunctive relief.

We don't disagree with this legislation in parts. We recognize that where a dispute comes up, mediation between the parties is necessary. But we have concerns over the bill's unintended consequences, primarily as it relates to the punitive portions of this legislation. There are no caps to the damages that the court can award and we worry this could allow employees to take advantage of employers. We are submitting this letter of inquiry to see if the sponsor and the committee could look further into this legislation and review these issues.

We appreciate you taking the time to review our questions on Senate Bill 233.

Thank you,

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association