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Anne Arundel County Food Bank
Baltimore Jewish Council
Behavioral Health System Baltimore
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Job Opportunities Task Force
Laurel Advocacy & Referral Services, Inc.
League of Women Voters of Maryland
Loyola University Maryland
Maryland Center on Economic Policy
Maryland Community Action Partnership
Maryland Family Network
Maryland Food Bank
Maryland Hunger Solutions
Paul's Place
St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

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TESTIMONY IN SUPPORT OF SB 38

Wage Payment and Collection - Pay Stubs and Pay Statements - Required Information

Finance Committee
February 1, 2024 1pm

Submitted by Mark Huffman, Co-Chair

Marylanders Against Poverty (MAP) supports SB 38, which would require employers to provide basic information regarding information on the paystubs distributed to employees. This simple change in current practice would ensure that all workers, including low-wage workers, receive proper payment and would help to root out unscrupulous employers.

SB 38 would help to combat wage theft and in doing so help low-wage workers to move out of poverty. Wage theft is the unlawful failure by employers to pay employees what they have earned and is unfortunately widespread. It is one of many unfair employment practices that prevent those who are working and still struggling to make ends meet from moving out of poverty. In fact, [one national study](#) estimates that low-wage employees forego \$15 billion per year in earnings due to employers' failure to pay minimum wage, overtime, or other legally required wages. When workers already struggling to make ends meet are cheated out of a portion of their paychecks that can be the difference between paying for rent or heat and water or medicine.

SB 38 would, at a minimum, help employees know if and when they have been victims of wage theft by requiring employers to provide paystubs including the dates of work covered by the pay period, number of hours worked, rate of pay, and the amount and purpose of all deductions. The vast majority of law-abiding employers already provide this information on paystubs. In addition, SB 38 includes basic enforcement mechanisms to hold unscrupulous employers accountable.

SB 38 is an important first step in addressing wage theft and does so without imposing significant burdens on employers. Employers should already be keeping the information that the legislation requires and using it to calculate wages. SB 38 simply requires the employers to disclose that information to employees, at negligible extra cost. Indeed SB 38 benefits law-abiding employers by encouraging similar compliance among their competitors who are willing to cheat their employees to save costs, thus levelling the playing field.

MAP appreciates your consideration and urges a favorable report on SB 38.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.