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February 1, 2024

To: Members of the Senate Finance Committee

From: Independent Electrical Contractors (IEC) Chesapeake

Re: Oppose Senate Bill (SB) 233 – Employment Standards, Prevailing Wage, and Living Wage-Employer Adverse Actions-Prohibition

Independent Electrical Contractors (IEC) Chesapeake opposes Senate Bill 233 because the proposed penalties are excessive. On page 3, line 11, a proposed civil penalty up to \$1,000 per employee is too high. Allowing an employee three years to enforce an order creates uncertainty for employers. The provisions of SB 233 which allows the Court to impose treble damages, punitive damages and reasonable attorney's fees and costs are draconian. It is unwise public policy to have the Department of Labor, the Maryland Attorney General as well as private cause of actions available to sue Maryland contractors. It is important to note that there is no corresponding requirement that an employee plaintiff or the state of Maryland is required to pay attorney's fees if the employer prevails in a legal action. Being a contractor today is challenging. Inflation and a worker shortage have created many obstacles for contractors in recent years. This proposed legislation will create unnecessary and unfair burdens on Maryland contractors.

IEC Chesapeake represents nearly 200 electrical contractors who employ approximately 15,000 workers in the mid-Atlantic region. In addition, IEC Chesapeake has nearly 1,000 apprentices and is a leader in renewable energy training.

Thank you for your consideration. If you have any questions, please contact Grant Shmelzer, Executive Director of IEC Chesapeake, at 301-621-9545, extension 114 or at <u>gshmelzer@iec-chesapeake.com</u> or Kevin O'Keeffe at 410-382-7844 or at <u>kevin@kokeeffelaw.com</u>.

