

House Economic Matters Committee

SUPPORT HB1097 – Maryland Worker Wage Protection Act

Testimony of Nicholas Katz, CASA de Maryland

March 3, 2020

Good Afternoon Chair and members of the Committee:

My name is Nicholas Katz and I am the Senior Manager of Legal Services for CASA de Maryland (“CASA”). CASA is the largest membership-based immigrant rights organization in the mid-Atlantic region, with more than 90,000 members in Maryland. Thank you for this opportunity to testify today in support of HB1097.

CASA’s strong support for HB1097 stems from the experiences of our members, who routinely face discrimination, retaliation and exploitation in the workplace. Each year, CASA’s legal department conducts intakes with hundreds of individuals who have experienced wage theft or other workplace abuses, helping our members recover tens of thousands of dollars in lost wages annually.

Over the last several years, this Legislature has made amazing progress in advancing economic justice and strengthening worker’s rights. In a crucial advance, last year Maryland became the sixth state in the nation to guarantee a \$15 per hour minimum wage to all state residents, dramatically improving the quality of life for more than half a million Marylanders. Unfortunately, that bill did not include the anti-retaliation protections and other necessary changes that are embodied in the Maryland Wage Protection Act. In order to fully realize the benefits of such legislation, we must protect workers from being fired when they complain about not being paid at the proper rate.

Sadly, that is exactly what happened to one of our clients recently. After working for his employer for more than a decade, the client realized he had not been paid the overtime he is entitled to under the law. He filed a complaint with the Maryland Department of Labor seeking to recover his wages, and as soon as his employer found out about the complaint, he was fired. CASA encouraged him to file a complaint with the United States Equal Employment Opportunity Commission (EEOC) but sadly there was no remedy under State law for this outrageous action. We also recognize that given the EEOC’s focus on traditional forms of employment discrimination, that agency likely will not be able to offer relief. That has to change, and that is exactly what the Maryland Wage Protection Act will do.

HB1097 does three crucial things that will protect all workers in Maryland, but particularly those like our members who are especially vulnerable. First, it protects

workers from retaliation, so that victims of wage theft can enforce their right to be paid fairly without fear of being fired or incurring other negative consequences at work. Second, it promotes transparency by requiring that paystubs contain information showing how pay was calculated, such as hours worked, pay rate, and overtime. All too often, workers come to us with checks that are written out with none of this information and they have no idea how their wages were calculated. Third, it clarifies that employees are broadly protected by wage laws while independent contractors (people who are in business for themselves) are not. Another major issue that we see is where employers misclassify individuals who are actually employees as independent contractors, thus depriving them of many of their fundamental workplace rights. HB1097 helps to add clarity to this landscape and protect all workers.

Another key provision of the Maryland Wage Protection Act that is especially important to CASA members is its prohibition on retaliating against workers (or their families members) who exercise their rights under the Act, based on their suspected citizenship or immigration status. All too often, undocumented workers are exploited because they fear that their employer will report them to ICE if they complain about wage theft or other violations of the law. This makes the workplace unsafe for everyone, regardless of their immigration status, and undermines the fundamental principle of a fair day's wage for a fair day's work.

For all of these reasons, CASA support HB1097 and urges a favorable report from the committee.

