



February 10, 2022

The Honorable Delores Kelley
Chair, Senate Finance Committee
Miller Senate Office Building - 3 East
Annapolis, Maryland 21401

SB 1: State Finance and Procurement – Prevailing Wage – Stop Work Orders
Written Testimony of Victoria Leonard

Position – Favorable

Thank you Chair Kelley and members of the Finance Committee for the opportunity to submit written testimony on SB 1. My name is Victoria Leonard, Political and Legislative Director for the Baltimore-Washington Laborers' District Council (BWLDC), an affiliate of the Laborers' International Union of North America, or LiUNA for short. The BWLDC represents more than 7,500 members across Maryland, Virginia, and the District of Columbia. Our members work on a large number of public works construction projects across Maryland.

LiUNA supports SB 1. Wage theft continues to be a problem in the construction industry and this bill provides another tool in the toolbox to help address it. Specifically, it gives the Commissioner of Labor and Industry the authority to issue a stop work order for construction sites where evidence exists of prevailing law violations. SB 1 also enables prime contractors to terminate their subcontractors without liability should the subcontractor receive a stop work order. The bill also enables the Commissioner to assess a penalty for violations of the stop work order.

This bill will serve as a deterrent to contractors who bid prevailing wage public works projects with the intent to misclassify their workforce as independent contractors or submit falsified certified payrolls.

Maryland would be joining New Jersey in passing legislation to utilize stop work orders to fight wage theft. In July 2019, the New Jersey Department of Labor and Workforce Development used its new authority to shut down two public works construction sites – an elementary school and a fire station – where the contractor was engaging in wage theft, demonstrating that SB 1 can be a very effective tool and help protect workers from unscrupulous contractors.

LiUNA urges the committee to vote favorably on SB 1.