

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS - LOCAL UNION No. 24

AFFILIATED WITH:

Baltimore-D.C. Metro Building Trades Council — AFL-CIO

Baltimore Port Council

Baltimore Metro Council — AFL-CIO

Central MD Labor Council — AFL-CIO

Del-Mar-Va Labor Council — AFL-CIO

Maryland State - D.C. — AFL-CIO

National Safety Council



AFL-CIO-CLC

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Written Testimony of

Rico Albacarys, Assistant Business Agent, IBEW LOCAL 24

Before the Senate Finance Committee On

SB 838 Workplace Fraud and Prevailing Wage - Violations - Penalties and Referrals

Support

March 1, 2023

Madame Chair Griffith and Committee Members,

I am writing to express my **support** for **SB 838**, which seeks to address the extensive underground economy in the construction industry. This issue involves misclassification of workers as independent contractors or off-the-books payments, resulting in the denial of necessary tax revenues to the public and wage and hour protections to workers.

The prevalence of this issue has grown from single-family residential construction and renovation to the largest commercial construction sites, creating a level of unfair competition for responsible businesses that classify their workforce as employees. This leads to lost work opportunities for law-abiding firms or the pressure to consider evading the law to compete on an uneven playing field.

Furthermore, taxpayers are negatively impacted by having to subsidize those who cheat the system through lost revenues. It is time to act to combat this underground economy and ensure that all workers are properly classified and paid, as well as to promote fair competition in the industry.

I ask you vote **favorably** on **SB 838** addressing this issue, and protecting both workers and taxpayers.

Sincerely,

Rico Albacarys

Assistant Business Agent IBEW Local 24