



Senate Finance Committee

To: Senator Melony Griffith, Chair; Senator Kathy Klausmeier, Vice-Chair; and Members of the Committee.

From: Darwin Bonilla, Executive Director, Mid-Atlantic Pipe Trades Association.

On behalf of our 10,000+ United Association of Plumbers, Steamfitters, Sprinkler fitter members across Maryland, and the thousands of unrepresented workers I ask you to **SUPPORT SB 838**.

Many workers, especially in the construction industry in Maryland are victims of Wage theft and Misclassification. Company owners have said it to my face that this is the way of doing business in this area! Is that something your members of this committee agree with????

By misclassifying workers, these contractors are allowed to under bid honest Union and Nonunion contractors. When workers are misclassified as independent contractors, they don't receive any benefits and protections, most of them pay taxes, contrary to the companies who pay no federal, state, or local taxes, workers comp, or unemployment insurance and cheat the state and federal government.

When we expose or workers act on their behalf and companies get caught misclassifying workers, they face little or no penalties. Many of them even budget to pay the fines and back wages saying, "it's the cost of doing business."

SB 838 addresses this issue by making Wage Theft a misdemeanor offense. The bill also mandates that the Department of Labor refers cases to the Comptroller's office so they can go after the lost taxes, workers comp, and unemployment.

Workers should worry about getting the work done, not on how to end misclassification!

For these reasons, I ask that you support **SB 838**.

Sincerely,

Darwin Bonilla
Executive Director
Mid-Atlantic Pipe Trades Association