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## MARYLAND LEGISLATIVE LATINO CAUCUS

Lowe House Office Building, 6 Bladen Street, Room 200 · Annapolis, Maryland 21401 Phone 410-841-3374 | 301-858-3374 · 800-492-7122 Ext. 3374 · Fax 410-841-3342 | 301-858-3342 latino.caucus@house.state.md.us · www.mdlatinocaucus.org

DAVID FRASER-HIDALGO, CHAIR TO: C.T. Wilson, Chair

FROM:

Brian M. Crosby, Vice Chair

Economic Matters Committee Members Maryland Legislative Latino Caucus

DATE: 2/1/24

RE: HB0211 Business Regulation – Contractors, Subcontractors,

and Brokers - Prohibited Conduct

## <u>The MLLC supports HB0211 Business Regulation – Contractors, Subcontractors, and Brokers – Prohibited Conduct, 2024</u>

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of HB0211.

By prohibiting a convicted individual from serving as intermediate between a contractor and subtractor, the bill intends to address wage theft in the State. The bill would improve protections from wage theft, fair labor practices, economic justice, and worker and community empowerment. According to the Economic Policy Institute, between 2017 and 2020, the U.S. Department of Labor and state departments recovered more than \$3 billion in stolen wages on behalf of workers. Wage theft disproportionately impacts women, people of color, and immigrant workers as they are more likely than other workers to be in low-wage jobs. In Maryland, most immigrants in low-wage jobs are in the service sector, working as janitors, building cleaners, house cleaners, and cooks. In addition, more than 33,000 immigrants work in the construction and extraction industries, earning median wages between \$39,000 and \$42,000.

HB0211 proposes addressing this issue by adding an amendment that stipulates an individual convicted of an offense involving criminal malfeasance, misfeasance, or nonfeasance is prohibited from serving or acting as a broker between a contractor and subcontractor for a period of five years immediately following the conviction. HB0211 will amend Article – Business Regulation, Section 19–107 of the Annotated Code of Maryland.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on HB0211.

<sup>&</sup>lt;sup>1</sup>Mangundayao, Ihna, et al. 2021. More than \$3 billion in stolen wages recovered for workers between 2017 and 2020. Economic Policy Institute.

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Maryland Center on Economic Policy. Immigrants in the Maryland Economy: Overcoming Hurdles, Yet Still Facing Barriers.

<sup>&</sup>lt;sup>4</sup> Ibid.