

February 1, 2024

Senator Pamela Beidle, Chair Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401

RE: SB 38 – <u>UNFAVORABLE</u> – Wage Payment and Collection – Pay Stubs and Pay Statements – Required Information

Dear Chair Beidle and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 38 expands the information that an employer must provide to an employee for each pay period, to include the employer's name, address, and phone number; the dates of work covered by the pay period; the number of hours worked; the rates of pay; the gross and net pay earned; the amount and purpose of any deductions; a description of the information used by the employer to calculate the employee's pay; and for piece rate payment, the applicable piece rates of pay and the number of pieces completed at each piece rate. If an employer fails to provide the information, an employee or the Attorney General may bring an action against the employer. A court may order injunctive relief, liquidated damages up to \$5,000, and attorney's fees.

This legislation is onerous yet again on the employers of Maryland. We already provide some of this information and have concerns about the tedious and time-consuming nature of this request. This would make each written pay stub pages upon pages. Moreover, many employees do not receive written pay stubs any longer but have opted for electronic versions. This bill is not very clear on whether the written statements with all of this new information still must be provided physically if the employee receives online pay statements. Our member companies see no issue with providing this information should the employee request it, but providing all of this with every pay period is overly burdensome. Should this bill move forward, we request that it be altered so that this information is provided upon an employee's request. We also have very serious concerns about the private right of action this bill gives to an

employee. Again, should this bill move forward, we request that the private right of action be removed from this bill.

We appreciate you taking the time to consider our request and for the reasons stated above, we respectfully request an **UNFAVORABLE** report Senate Bill 38.

Thank you,

Michael Sakata
President and CEO

Maryland Transportation Builders and Materials Association