

January 22, 2025

To: Members of the House Economic Matters Committee

From: Independent Electrical Contractors (IEC) Chesapeake

Re: **Oppose House Bill (HB) 264 - Business Occupational and Professional Licenses - Suspension and Revocation for Workplace Fraud**

Independent Electrical Contractors (IEC) Chesapeake represents approximately 200 electrical contractors who employ approximately 15,000 workers in the mid-Atlantic region. In addition, IEC Chesapeake has nearly 1,000 electrical apprentices. As one of the three largest apprenticeship programs in Maryland, IEC Chesapeake HB264 which seeks to take away a state license from individuals in certain trades for violations of workplace fraud regulations.

There are currently sufficient laws and regulation to address workplace fraud violations. HB264 would suspend or revoke a state license for workplace fraud violations. IEC Chesapeake has some concerns about the bill as drafted. The responsible party in a company found to have violated workplace fraud regulations may not hold a state license referenced in this legislation. In addition, in Lines 12-14 on Page 3, an appeal of a suspended or revoked license may only address whether the subject of this is the correct licensee. To suspend or revoke a license required to perform certain jobs in Maryland is a draconian measure which requires additional safeguards not provided for in this bill. The final section of the legislation addresses successor businesses which could be subject to not being licensed because of past actions. There is vagueness in the language "could not have known of the violation for which the adverse action was taken."

Thank you for your consideration. If you have any questions, please contact Grant Shmelzer, Executive Director of IEC Chesapeake, at 301-646-0197 or at gshmelzer@iec-chesapeake.com or Kevin O'Keeffe at 410-382-7844 or at kevin@kokeeffelaw.com.

About Us

Independent Electrical Contractors (IEC) Chesapeake represents members throughout Delaware, Maryland, Virginia, West Virginia, and Washington, D.C. Our headquarters are located in Laurel, Maryland. IEC Chesapeake has an extensive apprenticeship program for training electricians. In addition, IEC Chesapeake promotes green economic growth by providing education and working with contractor members, industry partners, government policy makers and inspectors to increase the use of renewable energy.