



## Eastern Atlantic States REGIONAL COUNCIL OF CARPENTERS

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### TESTIMONY OF MUNGU SANCHEZ OF THE EASTERN ATLANTIC STATES REGIONAL COUNCIL OF CARPENTERS

#### SB0938 / HB1096 – FRAUD PREVENTION AND WORKER PROTECTIONS - PROHIBITIONS, PENALTIES, AND ENFORCEMENT

#### BEFORE THE SENATE FINANCE COMMITTEE AND HOUSE ECONOMIC MATTERS COMMITTEE

#### FAVORABLE

Chairs Beidle and Wilson, and Members of the Senate Finance and House Economic Matters committees,

My name is Mungu Sanchez, and I am honored to represent the Eastern Atlantic States Regional Council of Carpenters (EASRCC). On behalf of thousands of skilled union carpenters across Maryland, I submit this testimony in strong support of SB0938 / HB1096.

Carpenters are the foundation of Maryland's construction industry. Whether we are framing homes, installing critical infrastructure, or working on commercial projects, our members are committed to excellence, safety, and fair wages. However, we also see firsthand the negative impacts of wage theft and worker misclassification, which continue to plague our industry. These unfair labor practices hurt not only our workers but also honest contractors and the broader economy.

Maryland's current system does not do enough to address these issues. Right now, the Attorney General does not have the statutory authority to directly enforce wage laws, leaving an enforcement gap that allows unscrupulous employers to evade responsibility. This failure to properly enforce labor laws enables tax fraud, unemployment insurance fraud, workers' compensation fraud, and other forms of exploitation that harm both workers and taxpayers.

This legislation provides a much-needed solution. By granting the Attorney General concurrent jurisdiction alongside the Department of Labor and other state agencies, Maryland will have a stronger enforcement mechanism to crack down on wage theft, misclassification, and employer fraud. This approach will help ensure that workers receive the wages they have rightfully earned and that law-abiding contractors are not unfairly undercut by companies that engage in illegal practices.

Other states have already taken similar steps. California, Illinois, Massachusetts, New York, Washington, and the District of Columbia have empowered their Attorneys General with statutory authority to enforce wage laws. Meanwhile, states like North Carolina derive their AG's power from constitutional provisions. Maryland must act now to bring its enforcement capabilities in line with these states and ensure fair treatment for all workers.

The EASRCC stands firmly in support of SB0938 / HB1096. We urge this committee to take a stand for Maryland's workforce and pass this legislation. Thank you for your time, and I welcome any questions you may have.

Thank you for your time and consideration.

Sincerely,

Mungu Sanchez

Eastern Atlantic States Regional Council of Carpenters