



International Brotherhood of Electrical Workers

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TESTIMONY IN SUPPORT OF SB 938 FRAUD PREVENTION&WORKER PROTECTION PENALTIES&ENFORCEMENT March 5, 2025

TO: Chair Beidle, Vice Chair Hayes, Members of the Senate Finance Committee
FROM: Tom Clark, Political Director, Intl. Brotherhood of Electrical Workers Local 26

Madam Chair, Mr. Vice Chair, and Members of the Committee, I ask you to join me, Maryland construction workers and honest Maryland contractors, in full **support of SB 938**. I appreciate the Speaker and Attorney General Brown for taking the necessary steps to combat workplace fraud and wage theft within our state. Establishing the Worker Protection Unit in the Office of the AG will be another tool that the state can use to fight unscrupulous contractors that cheat workers and evade taxes.

One example of this failure to contribute to unemployment insurance, consistently committing workplace fraud and wage theft is Power Design out of Florida. This company has been in the area for some twenty years and it's their business model to commit violations to prevailing wages and cheat workers, with a tendency to exploit Latino Americans. The District of Columbia, with laws like what SB 938 will bring, has taken Power Design to court and won. Most importantly the working men and women they cheated were reimbursed. What has kept thieves like Power Design in the area is Maryland and Virginia's lack of laws to combat this thievery. SB 938 maybe the legislation needed to get Power Design out of the area. Imagine the relief and prosperity that will be achieved by honest Maryland Contractors that often lose bids to companies like Power Design. *It's tough to outbid an out of state contractor that commits wage theft.

There will always be dishonest contractors, but SB 938 is a step in the right direction and a helping hand to construction workers and contractors in our great state. I respectfully ask for a **favorable report on SB 938**. Thank you

