



Finance Committee

To: Senator Pam Beidle, Chair; Senator Antonio Hayes, Vice Chair; and Members of the Committee
From: Jason Ascher, Political Director – Mid-Atlantic Pipe Trades Association

SUPPORT SB 938 – Fraud Prevention and Worker Protection – Prohibitions, Penalties, and Enforcement

On behalf of the Mid-Atlantic Pipe Trades Association and our five United Association of Plumbers and Steamfitters Locals, which represent over 10,000 Plumbers, Steamfitters, Welders, HVAC Techs, and Sprinkler Fitters across Maryland, I ask you to **SUPPORT SB 938**.

Wage theft and misclassification are among the construction industry's most significant issues. Unscrupulous contractors submit bids 30% lower than their competitors, knowing they will not pay their workers appropriate wages, benefits, and taxes. Addressing this problem is a battle on many fronts. It is essential to ensure that workers can utilize the Maryland False Claim Act, General Contractor Liability, and that the Attorney General can engage in a wage fraud case without a referral. Prime contractors must be held liable alongside the subcontractors because they manage the construction site. General Contractor liability is the only way to guarantee that contractors who might have "just made a mistake" do not become repeat offenders.

SB 938 achieves many essential objectives. It allows the Attorney General to expedite severe Wage Fraud cases by removing them from the Commissioner's desk. It establishes liability for general contractors, protects the ABC test concerning the employer-employee relationship, and enables debarment from state contracting following a conviction.

For the above reasons, we ask that you give **SB 938 a favorable Report**.

Sincerely

Jason Ascher
Political Director
Mid-Atlantic Pipe Trades Association

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Plumbers and Gasfitter Local 5 – Camp Springs, MD
Plumbers and Steamfitters Local 10 – Richmond, VA/Roanoke, VA
Plumbers and Pipefitters Local 110 – Norfolk, VA
Road Sprinkler Fitters Local 669 – Columbia, MD

Plumbers and Steamfitters Local 486 – Baltimore, MD
Plumbers and Steamfitters Local 489 – Cumberland, MD
Steamfitters Local 602 – Capitol Heights, MD