



Testimony - HB 299, Fraud Prevention, Prevailing Wage, and Living Wage -
Prohibitions, Penalties, and Enforcement
Favorable
House Government, Labor, and Elections Committee
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Honorable Chairwoman Wells & Members of the House Government, Labor, and
Elections Committee:

SEIU Local 500 represents thousands of workers across the public and private sectors, including employees whose wages, benefits, and job security depend on strong enforcement of prevailing wage, living wage, and workplace fraud laws. HB 299 addresses long-standing enforcement gaps that allow bad actors to undercut responsible employers while stealing wages and benefits from workers.

This bill meaningfully strengthens Maryland's ability to combat workplace fraud by:

- Expanding the application of the Maryland False Claims Act to cover significant unemployment insurance fraud;
- Ensuring penalties and damages collected in prevailing wage cases can be used to provide direct restitution to affected workers;
- Enhancing coordination and enforcement authority between the Commissioner of Labor and Industry and the Office of the Attorney General;

- Strengthening penalties for worker misclassification and ensuring that a portion of civil penalties is paid directly to harmed workers; and
- Holding general contractors accountable for violations committed by subcontractors, closing a loophole that has enabled widespread abuse.

Too often, workers who are misclassified or underpaid face retaliation, long delays, or no meaningful remedy at all. HB 299 improves accountability while preserving due process, creating a fairer system that protects workers, taxpayers, and law-abiding employers alike.

By increasing enforcement tools and ensuring consequences for repeat and willful violators—including debarment and licensing consequences—HB 299 sends a clear message: Maryland will not tolerate wage theft, misclassification, or fraud that undermines workers and the public interest.

SEIU Local 500 urges the Committee to issue a favorable report on HB 299 and help ensure that workers are paid what they are legally owed and that our labor laws are enforced as intended.

Thank you for your time and consideration.

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SEIU Local 500