

MARYLAND DEPARTMENT OF LABOR TESTIMONY ON HOUSE BILL 516

TO: Government, Labor, and Elections Committee
FROM: Maryland Department of Labor
DATE: February 10, 2026
BILL: Maryland Department of Labor - Investigation of Complaints -
Requirements (Worksite Enforcement Act of 2026)

MDL POSITION: LETTER OF INFORMATION

HB516 amends the Business Regulation Article to require the entirety of the Maryland Department of Labor (“MD Labor”) to establish procedures for receiving, reviewing, and investigating complaints. This bill applies to all matters under the Department's jurisdiction. This includes, but is not limited to, the Division of Occupational & Professional Licensing (which manages 21 licensing boards, commissions, and programs across 25 professions), the Maryland Racing Commission, the Division of Workforce Development and Adult Learning, and more.

HB516 requires MD Labor to cooperate and coordinate investigative efforts with the Attorney General's Division of Consumer Protection (CPD), other units in MD Labor, and other State and Federal agencies. HB516 mandates a referral to the CPD whenever a preliminary investigation finds sufficient basis for such action, even if the enforcement authority or jurisdiction rests with MD Labor rather than the CPD.

The bill mandates MD Labor to hire 5 investigators for the 5 described geographical locations across the state to investigate complaints in accordance with the specified requirements. HB516 mandates an appropriation of \$500,000 be included in the Governor's budget bill for FY2027 and each year thereafter for the employment of the 5 investigators.

In addition to the 5 investigators and \$500,000 mandated in the bill, individual Divisions within MD Labor will need additional staff to perform intake, respond in writing, perform data entry, answer inquiries, and perform complaint investigation of the expanded requirements under this proposed bill. Changes to procedures, databases, and additional Assistant Attorney Generals to address conflicts will also be needed. These activities cannot be performed with existing resources.

Provisions in HB516 conflict with the existing regulatory framework of the many laws enforced by MD Labor. The bill establishes response timelines on receipt of a written complaint, generally informing the complainant if MD Labor is (1) able to investigate or (2) if unable to investigate the reasons for the inability to investigate and the

contact information for the AG's Division of Consumer Protection. A written response due in:

- 7 days for complaints alleging unlicensed or unsafe activity that poses and imminent risk to public safety;
- 14 days for for complaints alleging wage theft, worker misclassification, or professional misconduct; and
- 30 days for complaints alleging administrative or record-keeping deficiencies.

Finally, HB516 requires MD Labor to enact regulations to implement the provisions of the bill and include regulations specifying processes and procedures related to complaints, investigative findings, and outcomes. The bill layers additional investigatory obligations and authorities on top of the existing framework for enforcement of various laws under MD Labor.

The Department respectfully requests the Committee consider this information as they evaluate HB516.

For questions, please contact Andrew Fulginiti at **Andrew.Fulginiti@maryland.gov**