

HB0516\_RichardKaplowitz\_FAV

02/12/2026

Richard Keith Kaplowitz  
Frederick, MD 21703

**TESTIMONY ON HB#/0516- POSITION: FAVORABLE**

**Maryland Department of Labor - Investigation of Complaints - Requirements (Worksite Enforcement Act of 2026)**

**TO:** Chair Wells, Vice Chair Kerr, and members of the Government, Labor and Elections Committee

**FROM:** Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of HB#/0516, **Maryland Department of Labor - Investigation of Complaints - Requirements (Worksite Enforcement Act of 2026)**

Unfortunately, Maryland has found a large number of workplace fraud incidents. The Maryland Department of Labor has a *New Report on Workplace Fraud in Maryland Finds Thousands of Misclassified Workers in Maryland*<sup>1</sup>

Maryland's Joint Enforcement Task Force on Workplace Fraud (JETF) has released [a new annual report](#), revealing the magnitude of worker misclassification in Maryland. Misclassified workers lose out on critical workplace protections, including access to unemployment benefits, workers' compensation, health insurance coverage, minimum wage, and overtime pay, and workplace fraud also causes significant harm to employers and the state.

Collectively, in 2024, Task Force agencies discovered over 5,500 misclassified workers through their enforcement actions. Over \$36 million in unreported taxable wages were uncovered through 2024 Unemployment Insurance audits.

To correct many of the problems detected this bill will require the Maryland Department of Labor to establish certain procedures for receiving, reviewing, and investigating certain complaints regarding matters under the jurisdiction of the Department; requiring the Department to employ one investigator for each of five regions of the State to investigate complaints; and requiring, beginning fiscal year 2027, the Governor to include in the annual budget bill an appropriation of \$500,000 for the hiring of five investigators.

**I respectfully urge this committee to return a favorable report on HB#/0516.**

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<sup>1</sup> <https://labor.maryland.gov/whatsnews/reportonworkplacefraudinmdfindsthousandsmisclassifiedworkers.shtml>