

February 12, 2026

To: Members of the House Government, Labor, and Elections Committee

From: Independent Electrical Contractors (IEC) Chesapeake

Re: **Oppose House Bill (HB) 299 – Fraud Prevention, Prevailing Wage, and Living Wage – Prohibitions, Penalties, and Enforcement**

IEC Chesapeake membership includes 150 contractors and 70 business partners. IEC Chesapeake members represent approximately 9,000 employees. In addition, it has approximately 1300 electrical apprentices. IEC Chesapeake opposes HB299 because it establishes overly complicated enforcement procedures for contractors and subcontractors related to unemployment insurance, prevailing wage laws, workplace fraud, and living wage laws.

Owning and operating a business is very complicated. Dealing with the lingering effects of high inflation and attracting skilled workers makes this an especially challenging time to operate a business in Maryland. As written, HB299 places additional obstacles on contractors and subcontractors in Maryland. Providing more investigative and legal authority to the Maryland Attorney General will create undue administrative and cost burdens on contractors and subcontractors.

Specifically, HB299 mandates that the Labor Commissioner refer a complaint to the Attorney General even if the Commissioner declined to investigate a matter or has found the matter to be of no merit. This is patently unfair to contractors and subcontractors and even sets up a type of administrative double jeopardy. HB299 also unfairly limits hearings on license revocation to only mistaken identity. HB299 dictates that one-third of a \$1,000 civil penalty goes to an individual employee in addition to other benefits and restitution granted to that employee. This additional penalty has the potential to incentivize more complaints against contractors and subcontractors.

For the above reasons, IEC Chesapeake is requesting an unfavorable report. Thank you for your consideration. If you have any questions, please contact Grant Shmelzer, Executive Director of IEC Chesapeake, at 301-646-0197 or at gshmelzer@iecchesapeake.com or Kevin O’Keeffe at 410-382-7844 or at kevin@kokeeffelaw.com.

About Us

Independent Electrical Contractors (IEC) Chesapeake represents members throughout Delaware, Maryland, Virginia, West Virginia, and Washington, D.C. Our headquarters are located in Laurel, Maryland. IEC Chesapeake has an extensive apprenticeship program for training electricians. In addition, IEC Chesapeake promotes green economic growth by providing education and working with contractor members, industry partners, government policy makers and inspectors to increase the use of renewable energy.