



March 10, 2017

The Honorable Thomas M. Middleton
Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401

RE: SB 626 – Prevailing Wage Rates – Public Work Contracts – Suits by Employees – Oppose

Dear Senator Middleton:

Senate bill 626 authorizes an employee under a public works contract who is paid less than the appropriate prevailing wage, to sue to recover the difference in wages paid. A determination by the Commissioner of Labor and Industry that a contractor is required to make restitution does not preclude the employee from a private cause of action. If a court finds that an employer withheld wages knowingly and willfully with deliberate ignorance or reckless disregard of the employer's obligations, the court must award treble damages.

Small contractors may be subject to unnecessary lawsuits by their employees for recovery of wages, including the possibility of treble damages and counsel fees under the bill. Currently, most cases are brought by the commissioner, and if deemed legitimate, result in the employee being made whole, so authorizing employees to bring lawsuits independently of the commissioner may well increase the number of lawsuits. This will result in making Maryland an unfriendly place of business for prospective employers by increasing the cost of doing business here.

The Carroll County Chamber of Commerce, a business advocacy organization of over 560 members, opposes this bill and asks that you give it an unfavorable report

Sincerely,

A handwritten signature in black ink that reads 'Mike McMullin'.

Mike McMullin
President
Carroll County Chamber of Commerce

CC: Senator Justin Ready
Delegate Susan W. Krebs

**Carroll County Chamber of Commerce • 9 East Main Street • Westminster, MD 21157
Phone: 410-848-9050 • Fax: 410-876-1023 • www.carrollcountychamber.org**