



February 10<sup>th</sup>, 2022

Senator Delores G. Kelley, Chair  
Senate Finance Committee  
3 East, Miller Senate Office Building  
Annapolis, MD 21401

**RE: Senate Bill 224 – UNFAVORABLE – Labor and Employment – Employment Standards and Conditions – Definition of Employer**

Dear Chair Kelley and Members of the Finance Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

Senate Bill 224 would expand the applicability of the definition of employer to include a joint employer, meaning “a person who acts directly or indirectly in the interest of another employer with an employee.” As noted in the fiscal and policy note prepared by the Department of Legislative Services, the impact to small businesses is meaningful. They state that by expanding the definition of employer it would expand liability for third parties, such as a subcontractor, to damages that are three times higher than the wages owed to an employee. This is extremely concerning to our members, many of whom are small businesses. At a time when our businesses are struggling significantly, we simply cannot support legislation that adds additional burdens and costs to our members.

We appreciate you taking the time to address this important issue, and we urge an unfavorable report on Senate Bill 224.

Thank you,

A handwritten signature in blue ink, appearing to read "Michael Sakata", is written over a faint, light blue circular watermark or seal. The signature is fluid and cursive.

Michael Sakata  
President and CEO  
Maryland Transportation Builders and Materials Association