

Submitter: Justen Maron

On Behalf Of:

Committee: Senate Committee On Judiciary

Measure, Appointment or Topic: SB426

Wage theft is a small, but disastrous problem. It likely occurs more in other industries beyond construction, so why are we being targeted with this legislation?

There are a couple of points that could make SB 426 effective, instead of cumbersome regulation with no real benefactor.

1. Please consider amending SB 426 to hold those accountable who illegally hire and withhold wages - not unknowing and far-removed general contractors and homeowners.

2. Fully Fund BOLI (approx. \$5M) – BOLI is responsible for handling wage claims and enforcing labor laws.

Proper funding will:

Improve response times and enforcement actions against wage theft.

Provide a streamlined process for workers to recover unpaid wages without going to court.

Ensure BOLI has adequate staffing to investigate claims and hold bad actors accountable.

3. Strengthen Construction Labor Broker Regulation – Many wage theft cases stem from unscrupulous labor brokers who act as intermediaries between contractors and workers.

To prevent this, the bill should be amended to:

Grant the Construction Contractors Board (CCB) oversight over labor contractors who work in the construction space, to ensure greater industry-specific enforcement authority.

Require licensing and bonds through CCB for labor brokers involved in the construction industry to ensure funds are available to compensate workers when labor brokers fail to pay wages.

Remove bad actors from the system by making it financially unfeasible for dishonest brokers to operate.

Again, please don't add unnecessary paperwork and regulation to the good contractors who are doing right and paying our bills. Regulation currently adds about

\$94,000 to the price of a new home. As written, this bill simply adds to that amount, without really solving the issue.

Thank you,
-Justen Maron