



417 Walnut Street
Harrisburg, PA 17101-1902
717 255-3252 / 800 225-7224
FAX 717 230-8733
<http://www.pachamber.org>

MEMORANDUM

May 4, 2009

TO: Honorable Members of the House of Representatives
FROM: Sam Denisco, Director, Government Affairs
RE: H.B. 400 – Construction Workplace Fraud Act

On behalf of its 24,000 members and customers, the PA Chamber opposes House Bill 400, which is scheduled to be voted on final passage.

The PA Chamber recognizes that the bill in its current form is a better version than prior printer numbers. Amendatory language such as using a contract as a rebuttable presumption and the lessening of the grading of offenses is a welcomed improvement to the bill. However, HB 400 still is very punitive in nature as the bill contains numerous excessive enforcement provisions. For instance, a violation of the act may result in an employer being found guilty of a misdemeanor, debarred from public work, work stoppages, private rights of action filed by labor organizations and further administrative fines. The amount of potential penalties and the real effect these will have on the employer community surely is not commensurate with the alleged violation of the act. There are far more egregious acts that statutorily do not have as extreme penalties as HB 400 applies to employers.

Any bill that aims at addressing the classification of workers must contain proportionate enforcement provisions. The Chamber will continue to work towards crafting a fair bill that properly outlines the criteria to classify workers in the construction industry.

If you have any questions or concerns, please feel free to contact me at (717) 720-5580 or sdenisco@pachamber.org.