



**Testimony of
Sharon M. Palmer, Commissioner
Department of Labor
Labor and Public Employees Committee
February 26, 2015**

Good Day Senator Winfield, Representative Tercyak, Senator Hwang and Representative Rutigliano and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with written testimony regarding ***Senate Bill 912 AA Increasing the Civil Penalty for Violating a Stop Work Order***. My name is Heidi Lane and I am here to testify on behalf of Sharon Palmer, the Labor Commissioner.

The Department is in support of raising the civil penalty. Stop Work Orders are issued to employers who knowingly misrepresent employees as independent contractors or provide false, incomplete, or misleading information to an insurance company on the number of employees for the purpose of paying a lower Workers' Compensation premium. Our investigations reveal that the current civil penalty of \$1,000.00 is not a sufficient deterrent.

Thank you for the opportunity to provide this testimony.