

July 29, 2025

Representative Michael Day, Chair Joint Committee on the Judiciary State House, Room 136 Boston, MA 02133

Senator Lydia Edwards, Chair Joint Committee on the Judiciary State House, Room 413-A Boston, MA 02133

Dear Chair Day and Chair Edwards,

On behalf of the Greater Boston Chamber of Commerce and our over 1,200 members, I write to offer testimony in opposition to H.1916, "An Act to further protect employees through a private right of action" filed by Representative Nguyen. The proposed legislation includes a sweeping expansion of private rights of action for wage policy that outsources and undermines the Massachusetts office of the Attorney General's (MA AGO) enforcement authority. We have serious concerns that this proposal would lead to surge of frivolous lawsuits against all businesses in the Commonwealth, hurt the state's economic competitiveness, and tie up resources that would otherwise lead to job creation and investment into Massachusetts. We urge the committee to oppose H.1916.

The Chamber opposes wage theft and misclassification in any form. Thankfully, improperly delaying or withholding wages for work is illegal under current law and has no place in the Commonwealth. The Commonwealth's wage laws include significant penalties, such as the awarding of treble damages, to ensure bad actors are held accountable for any violations. In addition, the Attorney General has a dedicated and professional team specialized in Massachusetts wage and labor laws, and their expertise is essential in determining when enforcement actions are necessary to protect workers. To the extent the Legislature believe wage enforcement is necessary, we urge the General Court to dedicate more resources to the Attorney General so she can build on its already successful efforts to ensure that workers are properly compensated.

Allowing third parties to circumvent the MA AGO for wage, overtime, sick time and classification issues, among others, is a significant expansion of authority and liability exposure to employers. Small and local businesses will face significant financial exposure for even minor violations of opaque and complex laws, such as the Commonwealth's three-part independent contractor test. The public enforcement action can proceed even if the Attorney General declines to investigate a claim, usurping the Attorney General's authority and undermining the sanctity of that constitutional office. Interested Parties would also be eligible to proceed during an arbitration process, regardless of whether a decision is pending. Legal mechanisms for employees and other workers to recover lost or unpaid wages exist in current law, and there is no need to create another litigation tool to embolden plaintiff attorneys to sue Massachusetts employers.

The State of California recently made significant changes to their two-decade-old private right of action law after seeing a large uptick of filings¹. A statute of limitation, cure provisions, caps on penalties for reasonable compliance, and only allowing the aggrieved employee to file claims were all addressed in a 2024 Legislative reform². All these important safeguards and provisions are absent or unclear in this broad and overreaching proposal.

The Chamber remains vigorously opposed to wage theft and the bad actors who create costs for the large majority of employers who comply with wage laws. We ask instead for the Committee to support existing state efforts to target and improve wage compliance by increasing funding for the Attorney General to avoid unintended consequences for employers complying with state laws.

For the reasons listed above, we are opposed to H.1916 and would urge the Committee to not report the legislation out favorably.

Sincerely,

James E. Rooney

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President and CEO

¹California Class Action and PAGA Filings Hit New Highs
²California Enacts PAGA Reform; November Repeal Initiative To Come Off Ballot