

Chairman Dereck Davis Vice-Chair Kathleen Dumais Members House Economic Matters Committee 241House Ofc Bldg Annapolis, MD 21401

February 27, 2020

HB 531 – Utility Regulation - Consideration of Climate and

Labor Testimony Position – Favorable

Good afternoon Chairman Davis and members of the House Economic Matters Committee. My name is Rick Binetti. Thank you for the opportunity to provide testimony in support of HB 531.

LiUNA's 80 Maryland-based contractors who keep 4,000 of our members who live in Maryland employed in a meaningful way, are in support of the labor provisions within HB 531.

Last year, LiUNA participated in the MD Public Service Commission's (PSC) Workgroup on Alternative Rates, Case PS51. Throughout the three-month discussion of what MD's Multi-Year Ratemaking should look like, it became abundantly clear that the PSC does not consider information about labor standards such as wage rates, health care coverage and pension benefits that are paid to the Utilities' contracted out workforce, as information that should be taken into account as a part of any case before the Commission.

Simply put, because the regulated utilities are such a large part of the state's economy, and because their contracted-out construction workforce is so large, it is in MD's interest that wage and healthcare benefits paid to their contracted-out workforce should be a consideration in any rate case before the Commission.

To help make the case, I have attached with this testimony, LIUNA's Final Comments on Case PC51 which say that MD should leverage alternative ratemaking so that our state

becomes a leader joining other states that have adopted strong labor protections that promote quality job creation and workplace safety in their utility reform efforts.

These efforts have not only spurred significant capital spending to modernize energy infrastructure, but the projects have helped raise the standard of living for thousands of workers and spur economic growth in local communities in other states where labor standards are considered by utility regulators.

We urge for a favorable report on HB 531.

Thank you.