

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS - LOCAL UNION No. 24

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Baltimore Port Council
Baltimore Metro Council — AFL-CIO
Central MD Labor Council — AFL-CIO
Del-Mar-Va Labor Council — AFL-CIO
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Written Testimony of

Peter Demchuk, Business Manager, IBEW LOCAL 24

Before the

Senate Finance Committee

SB 232 Procurement - Prevailing Wage – Applicability

Support

February 13, 2020

Chairman Davis and Committee Members,

Thank you for the opportunity to submit my testimony in **support** to Senate Bill 232.

For the record, my name is Peter Demchuk. I am a 40 year member, and the Business Manager, of the International Brotherhood of Electrical Workers 24 located in Baltimore. In addition, I am a lifelong resident of Maryland, residing in District 7 of Baltimore County. I represent approximately 2000 hardworking, Maryland tax paying electricians.

The work we do is not easy; it requires high skills and has a fair amount of risk. We understand this, which is why we provide extensive training and fight for quality wages, pensions, and health care.

Maryland has one of the highest monetary thresholds (\$500,000.00) in the nation for prevailing wage. Add to that amount a 50% State Funding requirement, the threshold now can be in the millions of dollars.

Maryland's Prevailing Wage laws do require, that Maryland Apprentices are employed! (In lieu of employing apprentices, contractors may make payments to the Maryland Apprenticeship Fund). That is what the state needs an opportunity for our youth to have a career without accumulating thousands of dollars of college debt. Construction in our state is struggling with availability of skilled Craftsperson. Building Trades apprenticeship programs are virtually free of charge to the apprentice and the state. These self-funded programs allow an apprentice to earn while they learn a trade.

Research on the effect of prevailing wage law on the cost of public works contract has found inconsistent and unreliable results. If prevailing wage gives an opportunity to our youth for a tax paying career it's a win in my mind. Prevailing wages used for State funded projects provide an influx of money into our communities. These projects should employ Marylanders at stabilized wage rates free of unfair bidding practices and wage competition.

We urge the Committee for a **favorable** report!

Thank you!

Sincerely,



Peter P. Demchuk
Business Manager

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