



Founded 1889

UNITED ASSOCIATION

of Journeymen and Apprentices of the
Plumbing and Pipe Fitting Industry of
the United States and Canada

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RE: House Bill 37

Chairman Derrick Davis and Members of Economic Committee,

My name is Shawn Broadrick, International Representative of the United Association of Plumbers, Steamfitters, Sprinkler Fitters & HVAC Service Techs assigned to Maryland representing over 13,000 members in the state.

Construction is a fiercely competitive industry characterized by slim profit margins and many elements that destabilizes the industry and incentivizes a race to the bottom that disadvantages law abiding contractors. The industry is comprised largely of numerous small to medium sized companies that often operate beyond the view of state regulators. It is a lucrative industry for unscrupulous contractors who exploit workers.

The prevailing wage law is one deterrent to protect against these circumstances because it requires all project bidders to "play on a level playing field" in labor and construction cost. Companies are relieved of the pressure to lower wages or eliminate benefits to gain competitive advantage. The industry is stabilized so that labor costs are removed from the bidding equation and contractors are forced to compete by other means of cost efficiencies with higher skilled and more productive workforce.

Prevailing wage standard protects both the living standards of construction workers and the competitiveness of companies bidding against transient contractors that will migrate into low bid a project. Adequate income is needed in today's consumer economy to buy goods and services the economy produces. Paying prevailing wages can counter economies that stagnate and essentially provide a stimulus for construction workers and their families.

Prevailing wage standards on public works projects help stabilize wage rates in the construction industry and promote recruiting in the industry and training workers thereby maintaining a strong long term supply of skilled labor. Therefore, on behalf of the 13,000 members of the United Association and their families, I **support** House Bill 37.

Sincerely,

Shawn Broadrick

International Representative Assigned to Delaware, Maryland, District of Columbia, Virginia and United States for Fire Sprinkler Industry

United Association of Journeymen and Apprentices of the
Plumbing and Pipefitting Industry United States and Canada

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