Journeymen Pipe Fitters and Apprentices



Local Union No. 602

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POSITION: FAVORABLE

HB37 / SB35: Procurement Prevailing Wage Applicability

House Economic Matters Committee Senate Finance Committee

Dear esteemed Delegates and Senators:

As Business Manager/Financial Secretary Treasurer of UA Steamfitters Local 602, please accept this letter in strong support of HB37 / SB35, Procurement-Prevailing Wage-Applicability, which reduces the extremely onerous Prevailing Wage state funding thresholds.

The UA Steamfitters Local 602 represents some 4,900 Journeymen, 1100 Apprentices, and 205 signatory Mechanical Construction and Service Contractors in the Heating, Air Conditioning, Refrigeration and Process Piping Industry throughout the Washington, DC Metropolitan area. Our economic and workforce footprint is enormous, including having performed some 7,231,500 work hours in 2020 alone. We understand how to make Maryland work, because it s what we do, each and every day.

Our work is a business-labor partnership, and our contractor affiliates, represented by the Mechanical Contractors Association of Metro Washington (MCAMW), is a powerful driver of local economies throughout the region, generating some \$2 BILLION in annual revenue, and some \$500 MILLION in state, federal and local taxes each and every year.

As much as anyone, we understand the importance of the federal Davis-Bacon and state Prevailing Wage programs, which are critical in our training and preparing the next generation of skilled Apprentices and Journeymen who will drive the standards of construction excellence in building world-class infrastructure and economic growth. But we can and must do much better. That s why this legislating is critical. Among states that participate in the Prevailing Wage programs, Maryland has the single highest dollar threshold at \$500,000, made only more onerous by the percentage of state funding trigger for Prevailing Wages to be applied to projects. These two criteria challenge our small and medium size signatory contractors, which in turn, limit our participation in these projects and the participation and growth of our word-class Apprenticeship programs. In a time when our economy and jobs are stagnating, and recession is rising, one solution is clear: Prevailing Wages can help to train and employ local workers, and fire up the economic base, if we unleash the full power of the program. We can do it, and we must.

For these reasons, we ask for a favorable committee report on this important legislation.

Thank you for your consideration, and for your support for the working men and women of UA Steamfitters Local 602.

Very truly yours,

Daniel W. Loveless

Business Manager / Financial Secretary Treasurer