



March 31, 2022

The Honorable Delores Kelley, Chair, Senate Finance Committee
The Honorable Brian Feldman, Vice Chair, Senate Finance Committee
Miller Senate Office Building - 3 East
Annapolis, Maryland 21401

HB 1250 – Maryland Solar Investment Tax Credit and Task Force to Study Solar Energy Incentives

Position – Favorable

Thank you Chair Kelley and Vice Chair Feldman and Members of the Senate Finance Committee for the opportunity to submit testimony in support of HB 1250.

My name is Victoria Leonard, Political and Legislative Director for the Baltimore-Washington Laborers' District Council (BWLDC), an affiliate of the Laborers' International Union of North America, or LiUNA for short. The BWLDC represents more than 7,500 members across Maryland, Virginia, and the District of Columbia. Our members are proudly employed on many infrastructure construction projects across the region, and about one-third of our members are Maryland residents.

LiUNA supports HB 1250 and its establishment of a tax credit program for electric generation facilities 2 MW or less. We especially appreciate that HB 1250 includes as a condition of the tax credit that the taxpayer attest that the project's contractors and subcontractors paid prevailing wages (or had a project labor agreement in place), offered health care and retirement benefits, participated in registered apprenticeship programs, had no wage and hour law violations in the preceding three years, held all appropriate licenses, and had and executed a plan to recruit, train, and employ state residents on the project.

Creating a tax incentive is a great way to promote labor standards on energy generation projects 2MW or smaller. That is because energy developers and construction contractors sometimes engage in business practices that do not promote quality jobs for local residents or opportunities for local businesses. These practices include: use of a traveling workforce, effectively boxing out opportunities for local employment; reliance on temporary staffing agencies like PeopleReady, whose workers in several states are paid wages so low they receive federal food assistance and Medicaid benefits; and misclassification of workers as 1099 independent contractors to avoid payroll taxes.

Moreover, the proposed tax credit also promotes the General Assembly's goal to create quality infrastructure jobs.

LiUNA urges the committee to vote favorably on HB 1250.