



MARYLAND STATE & D.C. AFL-CIO

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**HB 368 - State Personnel - Executive Branch Service Contracts - Policy,
Certification, and Notification
House Appropriations Committee
February 7, 2023**

SUPPORT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of HB 368 - State Personnel - Executive Branch Service Contracts - Policy, Certification, and Notification. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 300,000 union members, I offer the following comments.

HB 368 proposes common sense measures that provide transparency, notification, and review of service contracts to private contractors to perform state work. Unfilled vacancies and privatization threaten to hollow out the State of Maryland's capacity to carry out necessary and vital functions expected by its residents. The bill also clarifies that Executive Branch agencies must comply with the notification requirements in current law when entering into a service contract that is not exempt from the statutory preference.

Not to be ignored are the projections in the Fiscal Note that suggests that these contracts require further oversight. Currently there are about 13,000 services contracts and the Fiscal Note argues that if HB 368 were to pass "these contracts will have to undergo review to determine if they are exempt or nonexempt" and currently the Department of Budget and Management (DBM) "reviews very few contracts annually."

HB 368 is asking for transparency and notification to ensure that DBM, the Executive Branch agencies, and all other parties evaluate the decision to contract out state services contracts based on a thorough review. Taxpayers deserve quality public services.

We ask for a favorable report for HB 368.