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February 9, 2023

Senator Melony Griffith, Chair Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401

RE: SB 170 - <u>UNFAVORABLE</u> - Energy Generation Projects - Required Labor Standards

Dear Chair Griffith and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 18 producer members representing more than 47 production facilities, 24 contractor members, 24 consulting engineer firms and 41 other associate members. MAA works proactively with regulatory agencies to represent the interests of the asphalt industry both in the writing and interpretation of state and federal regulations that may affect our members. We also advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 170 requires developers on covered energy generation projects to comply with several requirements relating to prevailing wage rates and contractor/subcontractor certifications and records, except when the covered project is subject to a project labor agreement that already dictates such terms and provisions. The Maryland Department of Labor is then charged with enforcing compliance with these requirements and any resulting new regulations.

Throughout its long history, MAA has steadfastly defended the right of open shop contractors to bid on and work on construction contracts in this state, regardless of the presence of a project labor agreement. Senate Bill 170 would unfairly tip the scales in favor of union contractors who will happily sign project labor agreement by imposing several costly, time-consuming, and unnecessary requirements on contractors seeking to bid on projects without such an agreement. We believe that all contractors should be able to compete on an equal playing field for all projects, but the additional requirements of Senate Bill 170 would make that impossible.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on Senate Bill 170.

Sincerely,

Marshall Klinefelter

President

Maryland Asphalt Association

Pauskall Klinefelter