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March 5th, 2024

Senator Pam Beidle, Chair Senate Finance Committee 3 East Miller Senate Office Building Annapolis, MD 21401

RE: SB 871 - <u>UNFAVORABLE</u> - Unemployment Insurance - Disqualification - Stoppage of Work Caused by Labor Dispute

Dear Chair Beidle and Members of the Committee:

The Maryland Asphalt Association (MAA) is comprised of 19 producer members representing more than 48 production facilities, 25 contractor members, 25 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 871 seeks to amend the provisions regarding the disqualification from receiving unemployment insurance benefits due to a stoppage or work caused by a labor dispute. The bill specifies the disqualification does not apply for any week beginning after the first 14 days of an individual's unemployment due to the stoppage of work.

MAA opposes this legislation because it would disincentivize workers from resolving disputes in a timely manner and returning to work. While our organization understands the intent of this legislation, prolonged labor disputes could exacerbate labor shortages and hinder our industry's ability to meet demand for critical infrastructure projects. MAA encourages a more collaborative approach that promotes dialogue and resolution in labor disputes while ensuring the continued strength and vitality of our economy.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on Senate Bill 871.

Sincerely,

Tim Smith. P.E.

President

Maryland Asphalt Association

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