

CHAIRMAN:
Jeff Graf
VICE CHAIRMAN
David Slaughter

MARYLAND ASPHALT ASSOCIATION



TREASURER:
Paul Bramble
SECRETARY:
Curtis Hall
PRESIDENT:
Tim Smith

February 20, 2024

Delegate Joseline Peña-Melnyk, Chair
House Health and Government Operations Committee
241 House Office Building
Annapolis, MD 21401

RE: HB 835 – UNFAVORABLE – Calvert County – Procurement – Local Preference

Dear Chair Peña-Melnyk 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.

House Bill 835 authorizes the County Commissioners of Calvert County to establish a local percentage preference for procurement contracts within the County. MTBMA respectfully opposes HB 835. While we understand the intention behind promoting local businesses and stimulating the regional economy, we believe that such a policy may have unintended consequences that could adversely affect the industry and the broader community. Implementing a strict local business preference policy could limit competition, leading to inflated prices for construction projects. By restricting the pool of potential contractors to only local businesses, there may be a reduced incentive for firms to remain competitive in terms of pricing and service quality. This, in turn, could result in higher costs for public projects, ultimately impacting taxpayers and the overall budget for infrastructure development.

Furthermore, a focus on local procurement may inadvertently compromise the quality and expertise available for construction projects. The construction industry benefits from a diverse range of suppliers and contractors who bring unique skills, experiences, and technologies to the table. Implementing a preference policy based solely on locality might exclude highly qualified and experienced firms, hindering the industry's ability to innovate and deliver projects efficiently.

We appreciate you taking the time to consider our request for a **UNFAVORABLE** report on House Bill 835.

Sincerely,

Tim E. Smith, P.E.
President
Maryland Asphalt Association