



March 11th, 2025

Senator Guy Guzzone, Chair
Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, MD 21401

RE: HB 500 – FAVORABLE W/ AMENDMENTS – Procurement Reform Act of 2025

Dear Chair Guzzone and Members of the Senate Budget and Taxation Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

House Bill 500 seeks to make various changes and updates to the procurement system in Maryland. MTBMA appreciates the opportunity to address our concerns with two sections of the bill.

1. Apprenticeship Programs

The bill requires all companies bidding on public contracts to have registered apprenticeship programs, which will disproportionately impact small, minority-owned, and women-owned businesses. These businesses often have small administrative outfits and do not have the resources to create such a program as they are very costly and time consuming. Should the Committee decide to keep this language, we suggest one of two options. One, exempt the construction industry from this requirement or two, insert language that says “where applicable after a needs analysis.”

2. Good Labor Practices Evaluation Factor

This section of the bill is anti-competitive and would prohibit an overwhelming majority of companies from procuring with the State. Many of our member companies have a combination of both W2 and 1099 workers, which is common within the construction industry. The bill also requires a contractor to be liable for any violations of a subcontractor. As such, we request this entire section be amended out of the bill.

We appreciate you taking the time to hear our concerns and respectfully ask for your consideration in amending House Bill 500.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association