Journeymen Pipe Fitters and Apprentices



Local Union No. 602

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TESTIMONY OF CHRIS MADELLO, BUSINESS MANAGER / FINANCIAL SECRETARY
TREASURER, UA STEAMFITTERS LOCAL 602
IN SUPPORT OF THE MARYLAND APPRENTICESHIP AND PREVAILING WAGE
TRANSPARENCY ACT (SB3 / HB850)

FAVORABLE

Dear Chairs Pena-Melnyk and Beidle, and Members of the House Government Operations Committee and Senate Finance Committee:

As Business Manager/Financial Secretary Treasurer of UA Steamfitters Local 602, please accept this letter in strong support of the Maryland Apprenticeship and Prevailing Wage Transparency Act, legislation that advances transparency, accountability, and fairness in Maryland's workforce development.

The UA Steamfitters Local 602 represents some 4,900 Journeymen, 1100 Apprentices, and 205 signatory Mechanical Construction and Service Contractors in the Heating, Air Conditioning, Refrigeration and Process Piping Industry throughout the Washington, DC Metropolitan area. Our economic and workforce footprint is enormous, including having performed some 7,231,500 work hours in 2020 alone. We understand how to make Maryland work, because it's what we do, each and every day.

Our work is a business-labor partnership, and our contractor affiliates, represented by the Mechanical Contractors Association of Metro Washington (MCAMW), is a powerful driver of local economies throughout the region, generating some \$2 BILLION in annual revenue, and some \$500 MILLION in state, federal and local taxes each and every year.

The Maryland Apprenticeship and Prevailing Wage Transparency Act is critical legislation that will significantly enhance transparency and compliance in Maryland's public work contracts. Modeled after successful measures in Nevada and New York, this Act establishes public databases to track and monitor apprenticeship programs and prevailing wage compliance, ensuring that state-funded projects uphold the highest standards of fairness and accountability.

Key Provisions of the Maryland Apprenticeship and Prevailing Wage Transparency Act:

1. Certified Apprenticeship Database:

- This database will provide detailed information about apprentices working on public projects, including their certification status, trade, and program sponsor. It promotes transparency and accountability within Maryland's apprenticeship programs while protecting individual privacy.
- By increasing visibility, this provision supports workforce development by creating a pipeline of certified, skilled workers for Maryland's labor needs.

2. Prevailing Wage Payroll Records Database:

- Inspired by New York's successful model, this database will track key wage and benefit information for workers employed on state-funded projects. It ensures that contractors comply with Maryland's prevailing wage laws and that workers receive fair compensation.
- Weekly reporting requirements will hold contractors accountable and encourage adherence to wage standards, while privacy safeguards ensure sensitive employee information is protected.

3. Enhanced Oversight and Enforcement:

- By requiring regular reporting and public access to this data, the Act promotes accountability and empowers citizens to verify compliance with state labor laws.
- Non-compliance will result in appropriate penalties, ensuring that public resources are used responsibly and ethically.

Benefits-to-Maryland:

- Transparency: This legislation will empower Maryland citizens, advocacy
 groups, and policymakers to verify compliance with fair wage standards, ensuring
 that state-funded projects benefit workers and taxpayers alike.
- Workforce Development: Highlighting apprenticeship programs will strengthen Maryland's skilled trades, creating a robust workforce pipeline that meets the state's current and future labor needs.
- Fairness and Accountability: Contractors and subcontractors will be held accountable, fostering an environment of fair competition and ethical practices in state-funded projects.

Lessons from Other States:

Nevada and New York have demonstrated the effectiveness of such measures. Nevada's public database of certified apprentices bolstered accountability and workforce development, while New York's prevailing wage database ensured wage compliance on publicly funded projects. By combining these successful models, Maryland has the opportunity to lead the nation in labor transparency and fairness.

In conclusion, the Maryland Apprenticeship and Prevailing Wage Transparency Act represents a significant step forward for our state's workforce and economy. It ensures responsible use of state funds, protects workers, and fosters a skilled, fair, and transparent labor market.

I respectfully urge the committees to issue a favorable report on the Maryland Apprenticeship and Prevailing Wage Transparency Act.

Thank you for your attention to this important legislation, and I am happy to answer any questions.

Sincerely,

Chris Madello

Business Manager / Financial Secretary Treasurer

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