

Testimony of Roger Manno

on Behalf of

UA Steamfitters Local 602, Metro Washington Mechanical Contractors Association (MCAMW), and
Eastern Atlantic Regional Council of Carpenters (EASRCC)

In support of

HB37 / SB35, Procurement - Prevailing Wage - Applicability

Honorable Senators and Delegates:

On behalf of the UA Steamfitters Local 602, Metro Washington Mechanical Contractors Association (MCAMW), and Eastern Atlantic Regional Council of Carpenters (EASRCC), we'd like to thank to thank Delegate Valderrama and Senator Feldman for introducing HB37 / SB35, addressing the Prevailing Wage state funding thresholds.

We are here in strong support of this legislation because we know how important the Prevailing Wage program is throughout the states in building outstanding infrastructure, jobs, and pathways to strong community-based careers.

Our work and market strength speaks for itself. The MCAMW represents 75 mechanical contracting firms, an additional 125 firms who are signatory to UA Steamfitters Local 602 and UA Plumbers Local 5, some 10,000 workers, an economic footprint of some \$2 BILLION in annual revenue, and some \$500 MILLION in federal, state and local taxes. The UA Steamfitters Local 602 represents some 4,900 Journeymen, 1100 skilled Apprentices, and 205 signatory contractors, while the EASRCC represents some 41,000 skilled workers, and some 3,000 right here in Maryland. If there ever was a coalition that understands the importance of infrastructure investments and the dividends that they yield to local economies, this is that coalition.

We've seen how transformational Prevailing Wages can be for injecting stimulus into local economies. When properly implemented, Prevailing Wages help control construction costs through the use of skilled local workers, increase opportunities for small and medium size contractors, and expand workforce and training opportunities for the Apprentices who assist in that work. When thoughtfully designed, it's a great program. However, as we have seen in all other states that utilize Prevailing Wages, Maryland can further unleash the potential of small and growing contractors and Apprenticeship training programs by improving the formulas that trigger onerous funding thresholds.

Specifically, Maryland's Prevailing Wage dollar threshold is the single highest threshold of any state in America. That's a treacherous hill to climb for a small contractor with limited bonding authority, trying to create good paying jobs. In addition, the law also contains a second hurdle, which precludes Prevailing Wages on all projects in which less than fifty percent of that funding is state funding, as opposed to county or municipal funding. This legislation fixes those loopholes, and in doing so, brings Maryland into line with other states utilizing this important program.

This committee has the power to make a good program even better, at a time when we need new infrastructure, skills training, and good-paying local jobs, more than ever.

For these reasons, we thank you for your time and consideration, and we respectfully ask for a favorable committee report.