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County Executive

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TESTIMONY IN SUPPORT OF HB 37
Procurement – Prevailing Wage – Applicability

The Baltimore County Department of Economic and Workforce Development **SUPPORTS** HB 37 - Procurement – Prevailing Wage – Applicability. This legislation would lower the threshold for contracts that fall under Prevailing Wage Law from \$500,000 to \$250,000.

The Baltimore County Council passed similar legislation last year in a bipartisan 6 to 1 vote because the Council understood prevailing wage strengthens families, creates jobs, increases productivity, and the quality of work. Under prevailing wage policy, estimates showed the County stood to gain 232 jobs, \$35.1 million in additional income for workers, and \$6 million in additional state and local tax revenue, according to a March 2020 analysis by Pinnacle Economics. Prevailing wage pays for itself. Increases in tax revenue, higher employee morale, a stronger working class, and more efficient timelines are only some of the myriad benefits enjoyed by the Counties that have already passed such a law, including Baltimore City, Prince George's County, Charles County and Montgomery County.

There are many secondary benefits to bringing more workers under prevailing wage policy as well. It increases the likelihood that workers have health coverage, a critical need during the COVID-19 pandemic. Under the law, workers are far less likely to earn an income below the poverty level, which by extension reduces reliance on public assistance programs. Economic incentives are not the sole reason to pass this legislation; however, prevailing wage policies reflect a commitment to workers that will positively contribute to the post-COVID economic recovery.

The workers who support our critical public infrastructure projects, paid for by taxpayer dollars, simply deserve to earn a fair wage. No one should have to work long hours on physically taxing projects only to wonder whether they'll be able to afford housing, food, or necessities for their families. The projects that fall under these contracts are carried out for the public good; and it is important to ensure that the workers who make these projects happen are adequately compensated for their critical work.

For these reasons, I urge a FAVORABLE REPORT on House Bill 37.

Sincerely,

LJ Howie III

Leonard Howie
Director, Department of Economic and Work Force Development