



**Board of Education of Howard County  
Testimony Submitted to the Maryland Senate,  
Finance Committee  
January 28, 2021**

**Board of Education  
of Howard County**

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**SB0035: UNFAVORABLE  
Procurement - Prevailing Wage – Applicability**

The Board of Education of Howard County (the Board) opposes **Procurement - Prevailing Wage – Applicability** as an unfunded mandate on school system purchasing practices.

SB0035/HB0037 could negatively impact the Howard County Public School System (HCPSS) by limiting the instances where capital and maintenance projects can be awarded at non-prevailing wage rates. Currently, in order to receive the maximum eligible State funding, projects with a construction cost over \$500,000 and with 25% or greater State funding are awarded using prevailing wage rates. Under this bill, the threshold to exempt projects is lowered to \$250,000. This would limit the number of projects local school systems could award non-prevailing wage, thereby increasing costs by requiring the award of more projects with prevailing wage rates or risk the reduction of eligible State funding.

Additionally, projects awarded with prevailing wage create added burdens on HCPSS staff, as the State requires additional actions/monitoring of wage contracts.

In 2014, the Maryland General Assembly reduced the percentage of State funding of a capital project that triggers the payment of prevailing wages from 50 to the current 25 percent (SB0232). That change made nearly all projects in Howard County subject to prevailing wages, thus increasing the cost of capital construction by approximately 10 percent. As a legislative platform, the Board specifically opposes similar “legislation that limits local flexibility in the use of prevailing wages for school construction projects.”

For these reasons, we urge an UNFAVORABLE report of SB0035 from this Committee.