

PLUMBERS AND STEAMFITTERS UA LOCAL UNION 486

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Founded 1889

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Economic Matters Committee

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Chair: C.T. Wilson

Vice Chair: Brian Crosby

HOUSE BILL 0611 Expanding Prevailing Wage to Mechanical Service Contracts

Position: Support

Dear Chairman Wilson and Committee members;

My name is Gerald Jackson, I am the Assistant Business Manager of the Steamfitters & Plumbers Local Union 486 located in Baltimore, Md. I am asking for the support of this committee for HB 0611. Local 486 represents 2500 members and over 100 Mechanical Contractors, half of which work in the Mechanical Service Industry.

This legislation is necessary to resolve confusion in the Maryland code as to whether "service contracts" are subject to prevailing wages. This legislation significantly limits the scope of these prevailing wage service contracts to include only "mechanical service contracts" (including electric, HVAC, plumbing, refrigeration, steam and gas work) while tying the dollar threshold for such prevailing contracts to the parallel federal law, the McNamara-O'Hara Service Contracts Act of 1965. Supporting this bill insures that thousands of Maryland residents, irrespective of union affiliation will earn a package including life sustaining wages & benefits. Union members and contractors have negotiated a package that all workers can benefit from on projects with prevailing wage requirements. In other words this is not a "union only bill". Union contractors only procure 10%-15% of all Service and Construction contracts awarded in Maryland so the Merit shops do the Lion's share of the work. Unfortunately, the employees for some unscrupulous contractors suffer from wage theft and mis-classification in the service industry also. Having prevailing wage requirements insures that workers with language barriers or are representatives of under-served communities have protections under the law that guarantees life sustaining wages and benefits.

House Bill 0611 is common sense legislation aligning state and federal law as it pertains Service Contracts. This bill also builds on successful similar legislation recently passed in Montgomery Co., and pending in several other Maryland counties. Including Charles, Prince Georges's, Anne Arundel, Baltimore County and Baltimore City.

For these reasons, we ask for your support of this legislation.

Respectfully

Mr. Derell W. July

Gerald Jackson Assistant Business Manager Local 486