



Maryland Municipal League  
*The Association of Maryland's Cities and Towns*

TESTIMONY

February 10, 2022

**Committee:** Senate Finance

**Bill:** SB 259 - Procurement - Prevailing Wage - Applicability

**Position:** Support with Amendment

**Reason for Position:**

The Maryland Municipal League supports Senate Bill 259 with amendment.

MML is not often involved in legislation regarding the prevailing wage; the current exemption for projects under \$250,000 that receive less than 25% State funding eliminates many municipal projects, particularly among smaller municipalities. However, while the provisions of SB 259 to add “mechanical systems service contracts” as eligible work for prevailing wage consideration is not objectionable, the low threshold of \$2,500 for this type of work to qualify for the prevailing wage is troublesome. The concern is that mechanical systems services that use more than 25% State funds and cost more than \$2,500 will capture a large swath of projects and place a heavy financial burden on municipal governments, particularly smaller jurisdictions, for relatively routine work.

The amendment that MML suggests, is to raise the dollar threshold for mechanical systems service from \$2,500 to a higher amount that would include significant capital projects but eliminate the routine maintenance work.

As such, the League respectfully requests that this committee consider this amendment to SB 259 prior to issuing a favorable report.

**FOR MORE INFORMATION CONTACT:**

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