



HB 880

**Environment - Impact of Actions on Climate, Labor, and Environmental Justice
Environment and Transportation**

Position: Unfavorable

Maryland AGC, the Maryland Chapter of the Associated General Contractors of America, provides professional education, business development, and advocacy for commercial construction companies and vendors, both open shop and union. AGC of America is the nation's largest and oldest trade association for the construction industry. AGC of America represents more than 26,000 firms, including over 6,500 of America's leading general contractors, and over 9,000 specialty-contracting firms, all through a nationwide network of chapters. Maryland AGC opposes HB 880 and respectfully urges HB 880 be given an unfavorable report.

HB 880 imposes a requirement that any governmental unit (not defined) contemplating taking any action, broadly defined, conduct an evaluation of the potential impact of any action on a wide range of issues grouped as the climate, labor and employment, environmental justice, and any overburdened community. The findings are to be compiled in a general impact report. If a governmental unit determines that an action may negatively affect an overburdened community, the unit must conduct a further analysis and identify (1) the measures necessary to substantially decrease or eliminate the negative impacts on the overburdened community and (2) direct proceeds, benefits, or investments which may result from the action in a manner that will benefit the overburdened community. The bill directs a unit to deny, condition, approve, or amend an action to achieve such results.

While well-intended, HB 880 will extend dramatically the time and resources a unit will require to meet its mandates. The breadth of the bill is sweeping, affecting all governmental units at the state, county, and local level. The cost, magnitude, or difficulty of any such measures are not considered or capped. Moreover, the bill in effect requires a unit to structure any proposed action to eliminate virtually any negative impacts and maximize positive impacts on any overburdened community. While the bill says a unit "may deny, condition, approve, or amend an action based on its findings," the reports are in the public purview and failure of a unit to take action would result in an unendurable level of public reaction.

From the viewpoint of the construction community, in addition to the inevitable delays in issuing and finalizing procurements, HB 880 intrudes on contractors' management of their companies. Section 104(b)(2) is a laundry list of labor and employment requirements that would affect all government procurements, regardless of the value of the procurement. Moreover, the bill in effect requires a unit to condition its approval of a procurement on bidders' meeting the long list of such labor and employment criteria, including paying prevailing wage regardless of the value of the procurement, mandating registered apprenticeship for any trade in a project, and specifying the composition of a contractor's workforce (§104(B)(2)(IV)), if any such action may make things better for an overburdened community. The magnitude and invasiveness of these aspects of HB 880 are breathtaking.

Accordingly, for the reasons set forth above, Maryland AGC respectfully urges HB 880 be given an unfavorable report.

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¹ NLRB issues final joint-employer rule: Construction Dive, 2/26/2020, <https://www.constructiondive.com/news/nlr-issues-final-joint-employer-rule/572984/>, retrieved 1/27/2022, 7:41 p.m.

² NLRB Issues Joint-Employer Final Rule Office of Public Affairs, National Labor Relations Board, News and Publications, 2/25/2020, <https://www.nlr.gov/news-outreach/news-story/nlr-issues-joint-employer-final-rule>, accessed 1/27/2022, 7:52 p.m.