



January 31, 2022

MD Senate Finance Committee  
Senate Bill 259  
Procurement-Prevailing Wage-Applicability

Dear Members of the Senate Finance Committee,

Kelly HVAC, located in Upper Marlboro, MD was incorporated in 1994 and has been serving Maryland business for over 27 years. We are a licensed, bonded and insured full service commercial mechanical contractor providing heating, ventilation, and air conditioning services for all of our customers.

We write today to voice our strong support for SB259 legislation to expand prevailing wages to mechanical systems service contracts and to clarify that "service contracts" should indeed be subject to prevailing wages. A large percentage of our business is service work, which are smaller contracts in size than traditional construction jobs. Most of our service contracts are far lower than the \$250,000 threshold defined by the current legislation. It is important that the state of Maryland recognize the typical size and scope of service work in our industry, and we believe that SB259 builds on the precedents set forth in the federal government's McNamara-O'Hara Service Contract Act of 1965, as well as other local legislation pending in our state.

Kelly HVAC believes that SB250 will contribute to incentivizing good jobs, increase local job skills training programs, stabilize wage rates, and increase job productivity and safety in the industry.

We respectfully ask for your support of SB259 and a favorable committee report on expanding prevailing wages to mechanical service contracts.

Sincerely,

Chris Kelly Sr.  
President  
Kelly HVAC, Inc.