

February 9, 2023

Senator Melony Griffith, Chair Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401

RE: SB 170 - <u>UNFAVORABLE</u> - Energy Generation Projects - Required Labor Standards

Dear Chair Griffith and Members of the Committee:

The Maryland Transportation Builders and Materials Association ("MTBMA") has been and continues to serve as the voice for Maryland's construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland's multimodal transportation system.

Senate Bill 170 requires developers on covered energy generation projects to comply with several requirements relating to prevailing wage rates and contractor/subcontractor certifications and records, except when the covered project is subject to a project labor agreement that already dictates such terms and provisions. The Maryland Department of Labor is then charged with enforcing compliance with these requirements and any resulting new regulations.

Throughout its long history, MTBMA has steadfastly defended the creation of open competition—a hallmark of any agency seeking to bring in more contractors. This bill opposes the 91% of open shop contractors in the state of Maryland. Senate Bill 170 would unfairly tip the scales in favor of union contractors who will happily sign project labor agreement by imposing several costly, time-consuming, and unnecessary requirements on contractors seeking to bid on projects without such an agreement. We believe that all contractors should be able to compete on an equal playing field for all projects, but the additional requirements of Senate Bill 170 would make that impossible.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on Senate Bill 170.

Thank you,

Michael Sakata President and CEO Maryland Transportation Builders and Materials Association