



**MICHAEL POWERS  
IBEW LOCAL 70  
TESTIMONY-FAVORABLE  
SB 583**

**FEBRUARY 15, 2024**

Dear Chair Wilson, Vice Chair Crosby, and Members of the Economic Matters Committee,

I am Michael Powers, Safety Coordinator of IBEW Local Union 70 in Forestville, MD, I stand as the voice of 1900 essential personnel, Local Union 70 members who tirelessly build, service, and maintain our critical power grid.

This bill, which mandates prevailing wages for investor-owned utility construction of electrical transmission lines and facilities, is paramount for the welfare of our dedicated workers, their families, and the communities we serve. Prevailing wages ensure fair compensation, fostering economic stability and elevating the standard of living for those powering our nation.

I firmly believe that SB 583 will foster the creation and maintenance of jobs in this sector, ensuring fair compensation for the skilled labor involved. Prevailing wages not only support workers and their families but also contribute to the overall growth and prosperity of our communities.

By endorsing this bill, we pave the way for job opportunities that promote skill development, efficiency, and safety. I believe a favorable report on SB 583 is essential for the advancement of our workforce and the continued progress of our communities.

There are several compelling arguments in favor of prevailing wages, which are set standards for compensation for investor-owned utility construction of electrical transmission lines and facilities. Here are key points supporting the implementation of prevailing wages:

**1. Fair Compensation for Skilled Labor:**

- Prevailing wages ensure that workers receive fair and competitive compensation for their skills and expertise.
- By establishing a minimum wage rate, workers are less likely to be underpaid, promoting economic stability for laborers and their families.

**2. Quality and Safety Standards:**

- Reasonably compensated workers are more likely to be motivated and committed to their work, leading to higher productivity and better-quality outcomes.
- Higher wages can attract skilled and experienced workers, contributing to a safer work environment and reducing the likelihood of accidents.

**3. Local Economic Impact:**

- Prevailing wage laws help to stimulate the local economy by ensuring that construction workers have sufficient income to support local businesses.
- Increased wages can lead to higher consumer spending, benefiting the broader community.

#### **4. Reduced Income Inequality:**

- Prevailing wages contribute to reducing income inequality by establishing a baseline that prevents exploitation of workers.
- This ensures that the economic benefits of utility projects are distributed more equitably among workers.

#### **5. Skilled Workforce Development:**

- Prevailing wages attract individuals to skilled trades and construction professions, promoting the development of a highly skilled and motivated workforce.
- This, in turn, addresses labor shortages and fosters long-term economic growth by investing in the training and education of workers.

#### **6. Prevention of "Race to the Bottom":**

- Without prevailing wages, contractors may engage in a race to lower wages to secure contracts, potentially compromising the quality of work and worker well-being.
- Prevailing wages establish a level playing field, encouraging fair competition based on expertise and efficiency rather than on the exploitation of labor.

#### **7. Taxpayer Value:**

- Contrary to the misconception that prevailing wages increase project costs, studies show that the quality and efficiency brought about by skilled workers often result in cost savings over the life of a project.
- Taxpayers receive better value for their investment when projects are completed efficiently and to high standards.

**In summary**, prevailing wages are essential for promoting fair compensation, ensuring high-quality work, stimulating local economies, addressing income inequality, and fostering the development of a skilled workforce. These benefits make a strong case for the implementation and support of prevailing wage laws in the construction industry.

**I respectfully request a favorable report on SB 583.**

Sincerely,

Michael Powers  
Safety Coordinator  
IBEW Local Union 70  
Forestville, MD