

Letter of Support**House Bill 578 – Procurement - Department of Transportation and Maryland Transportation Authority Contracts - Board of Public Works Authority**
Appropriations Committee
March 4, 2025

As a member of the Board of Public Works, I am proud to meet with my colleagues nearly every other week to examine and consider state contracts, oversee the issuance of bonds, and a number of additional responsibilities assigned by the General Assembly. This transparent and public accountability process ensures that our major expenditures necessary and appropriate, fiscally responsible, fair, and lawful.

What this bill does: House Bill 578 seeks to increase transparency in state procurement by requiring the Maryland Aviation Authority, Maryland Port Administration and Maryland Transportation Authority to seek Board of Public Works approval for all capital expenditures valued above \$500,000.

Why this bill is important: Since 1825, the legislature has assigned the Board of Public Works varying duties and responsibilities but one of the most important duties we now have is reviewing most state contracts valued above \$200,000 before award.

Several exemptions from Board approval exist, but the most significant one is the exclusion of capital expenditures for roads, bridges and highways. According to Alan M. Wilner's 1984 book on the history of the BPW, the General Assembly codified this exemption in 1939, several decades before the creation of the Department of Transportation.

Every year, the state spends hundreds of millions of dollars on state road and bridge infrastructure without any public transparency and review of those contracts. This bill remedies that oversight and allows review of major transportation contracts in the same manner as information technology or other construction contracts.

I urge a favorable report on HB578. At a time of declining public trust in government and increasing concerns about state spending, this bill folds millions of critical state dollars into the existing Board of Public Works review process. If you have any questions, please do not hesitate to reach out to Stephen Harrington at SHarrington@marylandtaxes.gov.

