

March 4th, 2025

Delegate Ben Barnes, Chair Appropriations Committee 120 Taylor House Office Building Annapolis, MD 21401

Delegate Marc Korman, Chair Environment and Transportation Committee 250 Taylor House Office Building Annapolis, MD 21401

RE: HB 578 – <u>UNFAVORABLE</u> – Procurement – Department of Transportation and Maryland Transportation Authority Contracts – Board of Public Works Authority

Dear Chair Barnes, Chair Korman and Members of the Committees:

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.

House Bill 578 would give the Board of Public Works (BPW) authority and approval on procurement contracts within the Department of Transportation and the Maryland Transportation Authority over \$500,000. Currently, these agencies have more direct control over their contracts. This bill would limit their independent decision-making, possibly leading to inefficiencies and complications in managing transportation infrastructure projects.

Passage of this legislation would introduce additional layers of approval, leading to delays in project execution. If more projects require BPW approval, the timeline for securing funding and starting construction may be prolonged, affecting project schedules and profitability for contractors. If procurement processes become more politicized or subject to changing priorities of the BPW, contractors may face uncertainty in bidding and executing contracts, affecting their ability to plan for long-term investments in labor and equipment. Lastly, if the approval process becomes more cumbersome, smaller construction firms that rely on steady contract flow may face financial strain due to unpredictable project timelines.

For these reasons, we ask that you vote UNFAVORABLE on House Bill 578.

Thank you,

Michael Sakata President and CEO

Maryland Transportation Builders and Materials Association