



February 5th, 2025

Senator Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West, Miller Senate Office Building
Annapolis, MD 21401

RE: SB 403 – UNFAVORABLE – State Procurement – Construction and Services – Contract Modification

Dear Chair Guzzone 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 403 requires procurement construction contracts to include a clause requiring contract modification for increased costs related to compensation and benefits. Specifically, contracts must be adjusted if costs rise due to statutory changes or collective bargaining.

MTBMA respectfully opposes SB 403 because we have concerns it gives favoritism to union-backed contractors. While we have member organizations that are both union and non-union, we cannot support legislation that gives favor to one over the other. We support fair and equitable competition amongst contractors. In Maryland, over 90% of contractors are open shop, therefore passing a law that gives preference to union labor excludes the majority of Maryland contractors from competing and working on jobs in the State.

We appreciate you taking the time to consider our request for an **UNFAVORABLE** report on SB 403.

Thank you,

Michael Sakata
President and CEO
Maryland Transportation Builders and Materials Association