

February 5, 2025

To: Members of the Senate Budget and Taxation Committee

From: Independent Electrical Contractors (IEC) Chesapeake

Re: **Oppose Senate Bill (SB) 403 - State Procurement - Construction and Services  
- Contract Modification**

Independent Electrical Contractors (IEC) Chesapeake represents approximately 200 electrical contractors who employ approximately 15,000 workers in the mid-Atlantic region. In addition, IEC Chesapeake has nearly 1,000 electrical apprentices. IEC Chesapeake opposes SB403 because it disadvantages merit shop contractors whose business model does not include collective bargaining.

Senate Bill 403 would allow for a state contract to be modified for increased costs for compensation or benefits as a result of collective bargaining. Since merit shop contractors do not participate in collective bargaining it is unfair to not have a mechanism for merit shop contractors to have contracts adjusted for increased costs. For those reasons, IEC Chesapeake requests an unfavorable report on SB403.

Thank you for your consideration. If you have any questions, please contact Grant Shmelzer, Executive Director of IEC Chesapeake, at 301-646-0197 or at [gshmelzer@iec-chesapeake.com](mailto:gshmelzer@iec-chesapeake.com) or Kevin O’Keeffe at 410-382-7844 or at [kevin@kokeeffelaw.com](mailto:kevin@kokeeffelaw.com).

### **About Us**

Independent Electrical Contractors (IEC) Chesapeake represents members throughout Delaware, Maryland, Virginia, West Virginia, and Washington, D.C. Our headquarters are located in Laurel, Maryland. IEC Chesapeake has an extensive apprenticeship program for training electricians. In addition, IEC Chesapeake promotes green economic growth by providing education and working with contractor members, industry partners, government policy makers and inspectors to increase the use of renewable energy.