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February 27, 2025

Legislative Position: Unfavorable House Bill 1017 Public Works Contracts - Apprenticeship Requirements House Economic Matters Committee

Dear Chairman Korman and members of the committee:

Established in 1950, the Associated Utility Contractors of Maryland, Inc. (AUC) is dedicated to advancing the utility contracting industry across the state. Our mission is to foster strong relationships between utility contractors and their clients, uphold the highest professional standards within the industry, and elevate the reputation of utility professionals within the business community. We actively advocate for public policies that address industry challenges and contribute to improving Maryland's overall business environment.

The Associated Utility Contractors of Maryland (AUC) strongly opposes HB 1017, the Maryland Workforce Apprenticeship Utilization Act. As an organization representing primarily subcontractors in the construction industry, we believe this bill would have a devastating impact on our members and the construction industry as a whole.

As utility contractors, we are almost always subcontractors, oftentimes second-tier subs, working on public works projects. The workforce requirements outlined in this bill would be extremely difficult for us to meet, particularly given the specialized nature of our work. The bill's mandate to employ a certain number of qualified apprentices or journeyworkers would not only make it challenging for us to bid on public works contracts but also hinder the state's ability to complete projects on time and within budget.

Utility contractors play a crucial role in the construction process, and our work is often a necessary component of larger projects. However, the burdensome requirements of this bill would likely lead to our entire section of the industry struggling to meet the requirements to bid on public works contracts.

Furthermore, the bill's focus on apprenticeship programs, while well-intentioned, overlooks the complexities of the construction industry. Many of our members already participate in apprenticeship programs, but the bill's one-size-fits-all approach fails to account for the unique challenges and needs of different contractors and projects. We urge the committee to consider the unintended consequences of this bill, the harm it would cause to the construction industry and the increased cost implications to completing state projects. . We believe that a more nuanced approach, one that takes into account the diverse needs and challenges of different contractors and projects, would be more effective in promoting workforce development and supporting the construction industry.

For these reasons, we urge an **unfavorable report on HB 1017**.

Sincerely,

The Associated Utility Contractors of Maryland