



March 4<sup>th</sup>, 2025

Delegate Joseline Peña-Melnyk, Chair  
Health and Government Operations Committee  
240 Taylor House Office Building  
Annapolis, MD 21401

Delegate CT Wilson, Chair  
Economic Matters Committee  
230 Taylor House Office Building  
Annapolis, MD 21401

**RE: HB 957 – UNFAVORABLE – State Procurement – Worker Residency Requirements**

Dear Chair Peña-Melnyk, Chair Wilson and Members of the Committees:

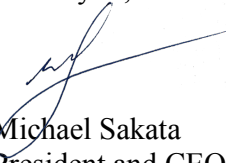
The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 200 members. MTBMA encourages, develops, and protects the prestige of the transportation 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 957 mandates that for all procurement contracts, contractors must employ a certain percentage of employees and apprentices who are Maryland residents, based on the value of the contract. The bill separates it between contracts that are between \$300,000 and \$5 million and contracts over \$5 million. The bill also stipulates that contractors failing to meet these requirements face financial penalties.

This mandate is very concerning for our Association for a variety of reasons. First, mandating residency requirements would limit our contractors’ ability to hire the most qualified or available workforce. Given the size and location of Maryland, we do employ people from surrounding states. Additionally, this bill puts a massive compliance burden on our companies requiring them to track and report workforce residency data. This would negatively impact smaller companies who do not have the additional administrative resources to keep up with this and the many other administrative requirements the State already imposes on them. Lastly, should the employer not be able to meet the residency requirements due to a labor shortage, the bill imposes penalties which is highly concerning. Our members seek to hire and retain Maryland residents to the best of their ability. They should not be penalized or held liable should outside forces prohibit them from meeting these arbitrary percentages set by this bill.

For these reasons, we ask that you vote UNFAVORABLE on House Bill 957.

Thank you,



Michael Sakata  
President and CEO

Maryland Transportation Builders and Materials Association