

PLUMBERS LOCAL UNION NO. 5

UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPE FITTING INDUSTRY OF THE UNITED STATES AND CANADA, AFL-CIO





TESTIMONY OF TERRIEA "T" SMALLS, BUSINESS MANAGER / FINANCIAL SECRETARY
TREASURER, UA PLUMBERS AND GASFITTERS LOCAL 5
IN SUPPORT OF THE MARYLAND APPRENTICESHIP AND PREVAILING WAGE TRANSPARENCY
ACT (SB3 / HB850)
FAVORABLE

Dear Chairs Pena-Melnyk and Beidle, and Members of the House Government Operations Committee and Senate Finance Committee:

Thank you for the opportunity to testify in support of the Maryland Apprenticeship and Prevailing Wage Transparency Act.

My name is Terriea "T" Smalls, and I am the Business Manager for UA Plumbers & Gasfitters Local 5. My local has been installing, maintaining and servicing the waste, water & gas systems in the Washington D.C. area since 1890. We represent some 1,800 of the most highly-skilled construction workers to be found anywhere, including over 300 apprentices, which provide the workforce excellence across some 65 signatory construction contractors throughout the Washington, DC Metropolitan area. thousands of construction workers who are the backbone of Maryland's infrastructure.

The Maryland Apprenticeship and Prevailing Wage Transparency Act is not just about fairness; it is a smart investment in Maryland's economic and regulatory integrity. By creating databases to monitor prevailing wage compliance and apprenticeship programs, the legislation addresses critical issues in our industry—wage theft, worker misclassification, and associated fraud—that have long eroded trust, fairness, and state revenues.

The Nevada and New York bills, on which the Maryland Apprenticeship and Prevailing Wage Transparency Act is modeled, show us what is possible. Nevada's apprenticeship database has improved transparency and accountability in workforce development, ensuring that apprenticeship programs deliver real value to workers and employers. Similarly, New York's prevailing wage compliance database has led to measurable reductions in wage theft, unemployment insurance (UI) fraud, workers' compensation fraud, and FICA underreporting. These measures not only protect workers but also recover funds that would otherwise be lost to unethical practices, directly benefiting state revenues.

The construction industry has seen significant challenges related to wage theft and misclassification. When contractors misclassify employees as independent contractors, they avoid paying unemployment insurance, workers' compensation premiums, and payroll taxes. This undermines law-abiding contractors and drains public resources. New York's prevailing wage transparency system has shown that robust data tracking can help recapture these lost funds, ensuring that public projects truly serve the public good. Maryland stands to gain significantly by following suit.



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From a financial perspective, these databases will ensure that taxpayer dollars are spent as intended, upholding prevailing wage laws and protecting the integrity of state-funded projects. Capturing previously unrealized revenues from wage theft and misclassification will strengthen the state's ability to invest in critical programs and infrastructure. Contractors who comply with the rules will also benefit from a level playing field, fostering fair competition and ethical practices.

The apprenticeship database is another cornerstone of this legislation. Maryland's union apprenticeship programs set the industry standard for quality and rigor. By tracking certifications, trades, and program outcomes, this database will ensure that apprenticeship sponsors deliver meaningful training and produce a skilled workforce ready to meet the demands of our state's growing economy. Nevada's experience shows that such transparency boosts program participation and completion rates, creating a reliable pipeline of qualified workers.

This is not a partisan issue—it's a matter of economic sense and fairness. States like Nevada and New York have already demonstrated that transparency and accountability in public works benefit workers, businesses, and taxpayers alike. The Maryland Apprenticeship and Prevailing Wage Transparency Act brings Maryland in line with these best practices, ensuring that our state leads by example. In closing, the Maryland Apprenticeship and Prevailing Wage Transparency Act is a win for Maryland's workers, contractors, and taxpayers. It protects against exploitation, fosters fair competition, and strengthens state revenues by addressing systemic abuses. For the men and women who build our state, it's a commitment to dignity and respect. For our economy, it's a safeguard against waste and fraud. I urge you to support this critical legislation and help Maryland realize its full potential. Thank you for your time and consideration.

Sincerely,

Terriea "T" Smalls

Business Manager / Financial Secretary Treasurer

UA Plumbers & Gasfitters Local 5

