



National Association of Security Companies

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**NASCO Testimony in Support of HB 1499, with Amendments
Hearing before the House Health and Government Operations Committee
March 13, 2025**

The National Association of Security Companies (NASCO) is the nation's largest contract private security association. In Maryland, NASCO member companies employ over 6,000 licensed and trained security officers, providing security services across the state, including at facilities and locations under Maryland state procurement contracts.

Private security officers play an important public safety role in Maryland. They are seen by the public as persons of trust, and often they are the first to respond to a criminal incident or an emergency, while also providing support to law enforcement. Through Maryland state procurement contracts licensed security officers of licensed Maryland security companies are protecting and safeguarding government employees, visitors, and others governmental facilities.

Experience and training are among the most critical factors in a security officer's performance. To maintain a highly skilled and experienced workforce, security companies must provide fair compensation and benefits. However, in multi-year state procurement contracts, security companies cannot accurately predict future wage and benefit increases that may arise due to new collective bargaining agreements (CBAs) or statutory changes.

In many other states and under federal service contracts (pursuant to the Service Contract Act), contractors are allowed to request price adjustments when CBAs or new laws increase employee compensation and benefits. Similar contract modifications are standard in private-sector security contracts. Such modifications ensure that security companies can continue to offer competitive wages and maintain a well-trained workforce without compromising service quality.

Conversely, if modifications to procurement contracts cannot be made when there is a new CBA or statutory changes that increase employee compensation and benefits during the contract period, security companies are forced to try to minimize such increases and find other ways to cut contract-related expenses to stay within the payment terms of the contract. While this is understandable, reductions related to providing security/public safety are not good for the security officers, the company, the State, or the public. As previously mentioned, having experienced well-trained

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officers equates to better security services. The most effective way to maintain such a high-functioning workforce is to provide fair and sufficient compensation and benefits. Maryland has a long history of supporting employees on compensation and benefits issues, and the passage of HB 1499 is necessary to ensure security officers on state procurement contracts receive such support.

NASCO also realizes that the current fiscal situation in the State is tight, and if HB 1499 is enacted, and if there are security service contracts in the future that will need to be modified, this could result in increased State procurement costs. Accordingly, NASCO supports the proposed amendments to HB 1499 that will logically and efficiently limit and reduce the circumstances where such modifications may occur.

NASCO strongly urges the Committee to pass HB 1499, with the proposed amendments.

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