



Delegate Kriselda Valderrama, Chair  
House Economic Matters Committee  
230 Taylor House Office Building  
Annapolis, MD 21401

February 4, 2026

**RE: HB 314 – UNFAVORABLE** – Automation Technology Deployment Assessment and Displaced Employee Retraining Fund – Established

Dear Chair Valderrama and Members of the Committee:

The Maryland Asphalt Association (MAA) represents approximately 110+ members, including 20 material producers, contractors, engineering firms, and associate members, supporting a 7,000-person workforce. MAA actively collaborates with regulatory agencies to advocate for the asphalt industry, ensuring fair regulations at both the state and federal levels. Additionally, we support adequate funding for Maryland's multimodal transportation system.

House Bill 314 would require all employers with 100 employees or more to pay \$900 for each employee displaced by automation technology with associated penalties up to \$250,000 for failure to make payment to be paid into a Displaced Employee Retraining Fund managed by the Secretary of Labor.

While MAA supports workforce development and recognizes the importance of preparing Maryland's labor force for future economic shifts, we simply cannot support this legislation due to the impacts it will have on Maryland's business climate and existing workforce practices. Our members already face numerous state and federal labor reporting obligations. Adding another layer of reporting tied to employer technology choices could create unnecessary duplication and divert management and HR resources away from core operational responsibilities. Moreover, this discourages investment in new technologies that improve safety, quality, and efficiency in construction operations. Innovation in mechanization and automation has long been a driver of productivity in the asphalt and construction industries. Policies that penalize employers for technology adoption risk slowing modernization efforts that benefit both workers and the public. Lastly, employers in the construction and materials sector provide job transition support, internal retraining, and redeployment where feasible, consistent with tight labor markets. Legislating a blanket assessment without regard to industry practices or economic context may not result in the intended retraining outcomes and could allocate resources away from direct workforce support.

For these reasons, we respectfully ask for an unfavorable report on House Bill 314.

Sincerely,

Tim E. Smith, P.E.  
President  
Maryland Asphalt Association