



February 12, 2026

Delegate Melissa Wells, Chair
Government, Labor, and Elections Committee
145 Lowe House Office Building
Annapolis, MD 21401

RE: HB 299 – FAVORABLE WITH AMENDMENTS – Fraud Prevention, Prevailing Wage, and Living Wage – Prohibitions, Penalties, and Enforcement

Dear Chair Wells 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 299 would prohibit knowingly making or using a false records or statements resulting in underpayments of unemployment insurance contributions or benefits of more than \$15,000 per year; alter enforcement mechanisms including how violations are investigated and prosecuted for workplace fraud, prevailing wage, and living wage laws; and authorize the Attorney General to investigate and bring legal action related to these violations. Among these and other provisions of this legislation, it would hold general contractors jointly and severally liable for violations committed by a subcontractor even if they do not have a direct contractual relationship with each other.

MAA supports HB 299 and its core objective of strengthening fraud prevention, prevailing wage, and living wage enforcement, and we share the General Assembly's commitment to protecting workers and ensuring compliance with Maryland's labor laws. However, **we respectfully request that the bill be amended to remove the provision that imposes liability on general contractors for violations committed by subcontractors.** Holding general contractors responsible for actions outside their direct control creates disproportionate risk, discourages participation in public projects, and undermines long-standing contracting structures, while doing little to improve compliance. Enforcement efforts should remain focused on the parties that actually commit violations, ensuring accountability without unfairly penalizing compliant contractors who already take good-faith steps to oversee their projects.

We appreciate you taking the time to hear our concerns and consideration for removing that provision from House Bill 299.

Sincerely,

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