

Testimony in Support of House Bill 587

Procurement – Department of Transportation and Maryland Transportation Authority
Contracts – Board of Public Works Contract Authority

Delegate N. Scott Phillips, 10th Legislative District

Government, Labor, and Elections Committee

Chair Melissa Wells

Vice Chair Delegate Ken Kerr

Chair Wells, Vice Chair Kerr, and members of the Government, Labor, and Elections Committee — thank you for the opportunity to present House Bill 587.

This bill restores oversight by the Maryland Board of Public Works over large transportation procurements that currently occur without elected or independent review.

The impetus for this legislation was the tragic collapse of the Francis Scott Key Bridge. In the days following that disaster, I asked a straightforward question: who was working on the bridge, and under what procurement authority? When I raised the matter with members of the Board of Public Works, I learned that a procurement approaching \$1 billion had not come before them. That procurement carried a 3% MBE participation goal.

Some argued that urgency required speed. But the Board of Public Works handles emergency procurements every week. Emergency review is not foreign to the Board — it is routine. That explanation did not square with me.

As I dug deeper, I discovered this was not unique to the Key Bridge. Under current law, capital expenditures by MDOT and MDTA in connection with roads, bridges, and highways are exempt from Board of Public Works oversight. House Bill 587 narrows that exemption. Projects valued at \$500,000 or more would return to the Board for approval.

In Calendar Years 2023 and 2024 alone, MDOT and MDTA awarded 193 road, bridge, and highway contracts totaling more than \$1.5 billion. The median contract was \$3.6 million. The average contract was \$8 million. These are some of the largest capital expenditures made by the State of Maryland — yet they receive no elected fiscal oversight.

The Maryland Constitution entrusted the Board of Public Works — comprised of the Governor, the Comptroller, and the Treasurer — with supervisory authority over public expenditures for a reason. It is a structural check. It is a safeguard. It is good government.

Last year, MDOT argued that requiring Board approval would delay projects and increase administrative burden. This year's fiscal note estimates the cost at approximately \$270,000 in FY 2027 for additional staffing. That is a fraction of one percent of the \$1.5 billion in contracts at issue. The Board of Public Works has indicated it can manage the increased volume with existing resources.

MDOT also points to the Consolidated Transportation Program, federal oversight, NEPA review, and the MDTA Board as evidence of transparency. But programming a project is not the same as approving a contract award. Federal review is not the same as Maryland constitutional oversight. An internal modal board is not the same as the Board of Public Works.

This bill does not eliminate efficiency. It does not micromanage MDOT. It simply ensures that when we are awarding contracts worth hundreds of millions of dollars — when we are obligating public trust funds and setting MBE goals that shape economic opportunity — those decisions are visible and accountable.

If a \$10 million IT contract must come before the Board of Public Works, why should a \$300 million bridge contract not?

House Bill 587 reaffirms constitutional balance, strengthens public trust, and ensures transparency in some of the largest expenditures the State makes.

This is good government.

I respectfully request a favorable report.