



February 12, 2026

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

**RE: HB 299 – UNFAVORABLE – Fraud Prevention, Prevailing Wage, and Living Wage – Prohibitions, Penalties, and Enforcement**

Dear Chair Wells and Members of the Committee:

The Maryland Transportation Builders and Materials Association (“MTBMA”) has been and continues to serve as the voice for Maryland’s construction transportation industry since 1932. Our association is comprised of 250 members. MTBMA encourages, develops, and protects the prestige of the transportation construction and materials industry in Maryland by establishing and maintaining respected relationships with federal, state, and local public officials. We proactively work with regulatory agencies and governing bodies to represent the interests of the transportation industry and advocate for adequate state and federal funding for Maryland’s multimodal transportation system.

MTBMA respectfully submits testimony in opposition to House Bill 299. Our members support strong worker protections and effective enforcement against bad actors who violate labor laws. However, HB 299, as drafted, imposes broad liability on parties without corresponding control, increases project costs, and risks undermining Maryland’s transportation construction program.

HB 299 effectively requires general contractors to police the labor practices of second- and third-tier subcontractors. General contractors do not control downstream subcontractors’ payroll systems, hiring practices, or day-to-day labor decisions. Imposing joint and several liability in this context increases overall project risk, drives up insurance and administrative costs, and makes project management more difficult. These impacts will inevitably be reflected in higher bid prices on public projects.

A significant practical consequence of this approach is reduced participation by small, minority-owned, emerging, and specialty subcontractors. Faced with expanded liability, contractors will be more cautious in subcontractor selection, narrowing competition and reducing flexibility. This runs counter to the State’s inclusion goals and ultimately increases costs for the Department of Transportation, local governments, and taxpayers.

Finally, the bill raises serious process and enforcement concerns. HB 299 expands the Attorney General’s authority while combining joint and several liability with licensing suspension, debarment risk, and financial penalties—without regard to a contractor’s knowledge, involvement, or ability to prevent a violation. There is no proportionality or safe harbor for good-faith, compliant contractors.



MTBMA supports fair and targeted enforcement of labor laws. HB 299, however, sweeps in responsible contractors, raises costs, and risks slowing project delivery at a critical time for Maryland's transportation investments. For these reasons, we urge an **unfavorable** report on House Bill 299.

Thank you,

A handwritten signature in black ink, appearing to read "Michael Sakata". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

Michael Sakata  
President and CEO  
Maryland Transportation Builders and Materials Association