



Tuesday, March 3, 2026

The Honorable Melissa Wells, Chair  
The Honorable Kenneth Kerr, Vice Chair  
142 and 145 Lowe House Office Building  
Annapolis, MD 21401

**Testimony of Julio Palomo, President & Assistant Business Manager of the  
Philadelphia/Baltimore/Washington Laborers' District Council on  
HB 997: State Finance and Procurement - Prevailing Wage Rate - Calculation  
Position: FAVORABLE**

Thank you Chair Wells, Vice Chair Kerr, and members of the committee for the opportunity to provide testimony on HB 997. My name is Julio Palomo. I am the President and Assistant Business Manager of Philadelphia/Baltimore/Washington Laborers' District Council. We are an affiliate of LiUNA – the Laborers' International Union of North America.

LiUNA fully supports HB 997. We have more than 5,000 members who live and work in Maryland. And more than a thousand of our members work on contracted-out gas pipeline replacement projects for BGE, Washington Gas, and Columbia Gas. Back in 2021, the General Assembly passed legislation to expand the state's prevailing wage law to cover contracted-out underground utility construction. This law has been a blessing to our members – and nonmembers – who work on these projects. It has lifted up their wages so that they are consistent with the wages of those who are working on state public works projects. That was the original intent of the General Assembly.

We are now facing a situation in which the Maryland Department of Labor has initiated a wage survey to create new wage rates specifically for underground utility work. This is why we need the committee to pass HB 997. It will clarify that the original goal of the General Assembly was to expand the state's prevailing wage law to include the contracted-out underground utility workforce, and to treat these workers the same way the state treats those who work on contracted-out public works projects, like state highway projects or state building projects.

By not passing HB997 we run the risk of mixing apples with oranges. Taking internal company wage data and mixing it with private contractor data will distort – in a very big way – the wage rate for contracted-out underground utility work. In today's economy what we need is stability and predictability, not uncertainty and upheaval. The economic improvements that have been realized these past five years are immense, and as we continue to navigate this new frontier, HB997 will ensure that stability to this market continues to move in the proper direction.

For these reasons, LiUNA urges the committee to issue a favorable report on HB 997.