

Testimony of Roger Manno on Behalf of UA Local 602
and
Metro Washington Mechanical Contractors Association (MCAMW)
In support of
HB582, Procurement - Prevailing Wage - Applicability

Thank you, Mr. Chairman, Madam Vice Chair, and members of the Committee.

On behalf of the Metro Washington Mechanical Contractors Association (MCAMW) and UA Local 602, we'd like to thank Delegate Valderrama and members of the august committee for introducing HB582, addressing the Prevailing Wage state funding threshold.

Together, we build Maryland.

The MCAMW represents 180 contractors who are signatory to UA Local 602. Between us, we represent some 10,000 workers and 1,000 hard-working apprentices. Helping to power our local economies, the MCAMW generates some \$2 BILLION in annual revenue, and some \$500 MILLION in state, federal and local taxes each and every year. Through good times and bad times, we're always working to put Marylanders to work, and to do our part in helping to drive the economy.

That's why we're here today. We know that Prevailing Wages are a powerful tool for injecting stimulus into local economies. Prevailing Wages help control construction costs through the use of skilled local workers, increase opportunities for small and medium size contractors, and expand workforce and training opportunities for the apprentices who assist in that work. It's a great program, but as we have seen in other states that utilize Prevailing Wages, and with Davis-Bacon wages at the federal level, Maryland can further unleash the potential of small and growing contractors and apprenticeship training programs by eliminating the onerous state funding threshold. To that end, the legislation is necessary, measured and reasonable.

During my days on this distinguished committee and in the Maryland Senate, I worked with many of you on a range of Prevailing Wage issues, some more difficult and more complex than others. It's with that perspective that we appreciate Delegate Valderrama's work in addressing this threshold issue, which is a no-brainer in terms of helping to increase procurement opportunities for contractors and the workers who do those jobs.

The legislation is necessary. Maryland's Prevailing Wage dollar threshold is the single highest threshold of any state in America. That's a treacherous hill to climb for a small contractor with limited bonding authority, and trying to create good paying jobs. But the law also contains an additional hurdle, which precludes Prevailing Wages on all projects in which less than fifty percent of that funding is *state* funding, as opposed to county or municipal funding. While this legislation does not attempt to tackle all challenges faced by small contractors participating in the program, it does address the most glaring challenge: the state funding threshold.

For these reasons, we thank you for your time and consideration, and we respectfully ask for a favorable committee report.