



March 21, 2012

The Honorable Dereck E. Davis
Economic Matters Committee
Room 231, House Office Building
Annapolis, MD 21401-1912

Re: HB 1092 – Prevailing Wage Rate – Contract Threshold Amount - **Oppose**

Dear Delegate Davis:

HB 1092 would reduce the contract threshold amount at which the state prevailing wage rate would apply to public projects from a project cost of \$500,000 to \$2,000. The Legislative Committee of the Carroll County Chamber of Commerce opposes this bill because it would add to the cost of state-funded projects.

The current law is needlessly inflating the cost of state contracts by millions of dollars annually on construction contracts. The law undermines the purpose of competitive bidding, which is to get the best service at the lowest cost. At a time when the state has a billion dollar gap between ongoing expenditures and revenues, it is ill-advised for the state to pay above market wages on public works projects.

For these reasons, the Carroll County Chamber of Commerce asks that your committee give this bill an unfavorable report.

Sincerely,

A handwritten signature in black ink that reads 'Michael McMullin'.

Michael McMullin
President
Carroll County Chamber of Commerce

CC: Senator Joseph M. Getty
Delegate Susan W. Krebs