

Maryland Independent College  
and University Association

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**TESTIMONY**

**Economic Matters Committee**

***HB 792 – Public Works Contracts – Payroll Requirements  
(The Transparency Act of 2016)***

**Tina Bjarekull, President**

**MEMBERS**

February 23, 2016

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Thank you for the opportunity to submit this written testimony on behalf of Maryland's thirteen independent colleges and universities in opposition to House Bill 792. This bill would require contractors that are not subject to the State's prevailing wage laws to comply with the same reporting requirements as contractors subject to the State's prevailing wage laws. HB 792 would impose the requirements on any public works project with a value of at least \$400,000. This bill would dramatically drive up the cost of projects and is an extremely burdensome and laborious exercise with no obvious public purpose or value.

MICUA is concerned that the result of this bill will adversely impact smaller and minority contracting and subcontracting firms. These firms are already at a disadvantage in the procurement process and additional administrative burdens will ultimately result in smaller contract requests for proposal being awarded to larger and larger firms. Large firms can much more readily absorb the additional administrative costs, whereas small firms do not have the compliance and reporting expertise to abide by the onerous reporting requirements called for in HB 792.

Prevailing wage reporting requirements should rightly remain with contractors and subcontractors that are subject to the State's prevailing wage law. The Department of Labor, Licensing, and Regulation's (DLLR) information technology system is only equipped to receive reports from prevailing wage contractors. In order to receive reports from contractors and subcontractors that are not subject to the State's prevailing wage laws, DLLR would need to needlessly expend limited taxpayer resources to develop a separate and expensive system for little to no public gain.

For these reasons, MICUA requests an unfavorable report for HB 792.