

**Maryland Businesses Denounce Union-Only Project Requirements**  
Statement by the Maryland Coalition for Fairness & Open Competition (MCFOC)

The MCFOC is a Maryland coalition dedicated to advocating against the use of mandated PLAs on state public works projects that steer taxpayer-funded public works contracts to union-signatory contractors, granting union workers a monopoly on jobs and contracts, as well as, raising taxpayer costs. We are committed to bringing transparency to the dangers of this policy and ensuring all workers get fair opportunities at crucial state tax payer funded projects.

Mandated PLAs take away choice from contractors who have already chosen not to unionize. While the bidding process for state government-funded projects must be fair, mandated PLAs will discriminate against qualified contractors and workers that don't wish to be subjected to union rules. This couldn't come at a worse time for Maryland's local economy as it currently faces a \$800 million budget deficit in FY 2025.

Anti-competitive and costly mandated PLAs are schemes that end open, fair and competitive bidding on construction projects. By preventing more efficient, effective local businesses from bidding on contracts to build roads, bridges, schools and other structures, mandated PLAs guarantee that Maryland taxpayers pay 12% to 20% more and the local community benefits less.

According to the most recent data from the [U.S. Department of Labor's Bureau of Labor Statistics](#), just [11.7 % of the 2022 U.S. private construction workforce belonged to a union](#). This means PLAs, when mandated, discriminate against nearly 9 out of 10 construction industry employees who want nothing more than to rebuild their communities at a price that is best for taxpayers but have chosen not to affiliate with a union. This data is consistent in the state of Maryland.

Additionally, mandated PLAs in Maryland would exclude small local minority (and women-owned) businesses from state construction projects because the vast and overwhelming majority of the State's certified minority business enterprises (MBEs), especially African American firms, are non-union for historical, discriminatory, and cost reasons. Among the reasons most local Maryland minority firms are non-union contractors include, (1) minority and women-owned firms are smaller and operate on lower margins making them less able to sustain the additional costs imposed by mandated PLAs, (2) the long history of discrimination within the union construction trades against minorities and women-owned firms, and (3) Mandated PLAs significantly limit the available workforce, especially during this time of high inflation in the construction industry, a particularly difficult burden for small and minority businesses in Maryland.

MCFOC will continue to fight for state and local policies in Maryland that create a level playing field in the procurement of government construction contracts, increase competition, help small, minority and women-owned businesses grow, curb construction costs and spread the job-creating benefits of taxpayer-funded contracts throughout the entire state construction industry.

***About Maryland Coalition for Fairness and Open Competition***

*The Maryland Coalition for Fairness and Open Competition is coalition of members including Associated Builders and Contractors (ABC) Chesapeake Shores, Greater Baltimore, Cumberland Valley and Metro Washington chapters; the Maryland Transportation Builders & Materials; Maryland Minority Contractors Association; Hispanic Chamber of Commerce and Independent Electrical Contractors-Chesapeake. The coalition represents over 5,000 employers and 100,000 workers in the region.*