



## TESTIMONY OF VICTORIA LEONARD, BALTIMORE-DC METRO BUILDING TRADES COUNCIL ON MCPS CAPITAL BUDGET BEFORE THE MONTGOMERY COUNTY COUNCIL

February 9, 2026

Thank you, Madam Chair, for the opportunity to testify tonight. My name is Victoria Leonard. I am here this evening on behalf of the Baltimore-DC Building Trades.

My remarks this evening focus on MCPS's capital budget. There is a troubling pattern of wage suppression and wage theft on its construction projects. And it doesn't have to be this way. Other jurisdictions are using project labor agreements to protect workers from being ripped off.

**Let me be blunt. MCPS has a long history of suppressing wages on its construction projects.** Prior to 2021, MCPS limited its state funding requests to 24.9% to avoid state prevailing wage rules. This is wage suppression. After the state match was increased in 2021 to 50%, County Executive Elrich told MCPS to maximize state aid, pay the associated prevailing wage rates, and stop its policy of seeking less state aid to avoid prevailing wage. However, the school system has continued to omit prevailing wage on projects ineligible for the match.

And get this: In 2021 the Board of Education voted to eliminate prevailing wage from the Woodward High School project *at the request of MCPS*. Because of this decision, workers were cheated out of their rightful wages. In response, the Building Trades filed a complaint with MDOL. And guess what? In 2024, MDOL ruled that MCPS was at fault, and MCPS was forced to return more than \$39 million in state funds.

**Moreover, some of the construction contractors on MCPS projects have also been cheating workers out of their rightful wages.** In the handout attached to my testimony, you will find information about wage theft complaints filed in court for a number of school projects.

**Finally, neighboring jurisdictions offer Montgomery County different approaches to incorporate PLAs into school construction.** In particular, the Prince George's County school system is using a P3/PLA combination on its P3 Phase II. Why is that? Because there were multiple cases of wage theft on Phase I.

It's time for Montgomery County and its school system to get serious and be pro-active about protecting workers from wage suppression and wage theft. We at the Building Trades look at this as the beginning of a discussion on using PLAs both on schools as well as other county projects. Thank you for your time.



## PLAs ON MCPS SCHOOL CONSTRUCTION: A STRATEGY TO ADDRESS WAGE THEFT

### Problem

MCPS has a track record of seeking to avoid the payment of prevailing wages on school construction projects, a troubling pattern of wage theft, and an ambitious capital improvement plan that needs funding.

### Solution

Require project labor agreements (PLAs) on school construction to prevent wage theft and protect workers' rights. The District of Columbia and Prince George's County provide MCPS and the Montgomery County Council with two different PLA approaches that it can adopt:

- DC requires PLAs on all city-funded construction projects valued \$50 million or more, including schools.
- In Prince George's, PGCPs is using a combined P3/PLA model—the P3 provides the funding and the PLA provides worker protections.

### Background

- **MCPS has a long and deliberate history of suppressing wages on its school construction projects.**
  - From 2014 to 2021, MCPS limited state funding requests for school projects to 24.9% to bypass prevailing wage rules.<sup>1</sup>
  - To take advantage of the Build to Learn Act, which established a 50% state match for eligible construction projects, in 2021 MCPS ceded to the state's prevailing wage requirement to leverage its 50% match, but MCPS continued its policy of not applying prevailing wage to projects ineligible for the match.<sup>2</sup>
  - During its September 9, 2021 session, the Board of Education approved a resolution to eliminate prevailing wage requirements from the Woodward High School construction project.<sup>3</sup> During the Board's discussion of the resolution, not a single board member questioned the recommendation to strip out prevailing wages.
  - In response to a complaint from construction trades unions, the Maryland Department of Labor opened an investigation into MCPS' failure to pay prevailing wages on the Woodward High School project, and the investigation found MCPS was at fault.
  - In October 2024, MCPS announced "an error in our submission for state aid in the Charles E. Woodward High School construction project, creating a revenue shortfall of \$39.3 million in the FY 2026 Capital Budget. Dating back to 2021, MCPS miscalculated prevailing wage and bid awards across the multiple phases of the project. This error was entirely MCPS'." <sup>4</sup>
  - In 2023, County Executive Marc Elrich requested that MCPS maximize state aid, pay the associated prevailing wage rates, and stop its policy of seeking less state aid to avoid prevailing wage.<sup>5</sup>

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<sup>1</sup> <https://www.montgomerycountymd.gov/OLO/Resources/Files/OLOREport2024-14Revised2.pdf>

<sup>2</sup> Ibid.

<sup>3</sup> [https://www.boarddocs.com/mabe/mcpsmd/Board.nsf/files/C6GJUH4E363D/\\$file/Award%20Cont%20Charles%20%20W%20Woodward%20HS%20Reopen%20Proj.pdf](https://www.boarddocs.com/mabe/mcpsmd/Board.nsf/files/C6GJUH4E363D/$file/Award%20Cont%20Charles%20%20W%20Woodward%20HS%20Reopen%20Proj.pdf)

<sup>4</sup> <https://ww2.montgomeryschoolsmd.org/press/index.aspx?pagetype=showrelease&id=13445>

<sup>5</sup> <https://www.montgomerycountymd.gov/OMB/Resources/Files/omb/pdfs/fy23/ciprec/MontgomeryCountyPublicSchools.pdf>

- **Wage theft complaints are rampant on MCPS construction projects, as the following cases demonstrate:**
  - The *Soriano* case was filed in March 2024 and settled for \$6,000. Ms. Soriano worked as a painter and finisher at William Tyler Page Elementary School in Silver Spring, but did not get the required prevailing wage or benefits. The contractor, Phoenix Coatings, also shorted her of the required overtime wage rates for her time worked over 40 hours in a week and misclassified her as an independent contractor. Soon after the Soriano case was settled, a demand letter was sent to Phoenix Coatings for another employee, Walter Aquino. Mr. Aquino received a settlement of \$10,000 for full damages. See [Soriano complaint](#)
  - The *Hernandez* case was filed in January 2024 and settled for a total of \$46,827.31, \$31,827.31 of which was for the three workers and \$15,000 for attorneys' fees. It concerned alleged wage theft of three workers who did construction and landscaping at two different MCPS schools (among other non-school job sites): the Parkland Magnet Middle School in Rockville and the William Tyler Page Elementary School in Silver Spring. The workers were employed by Green Generation and Landscaping, a subcontractor to Keller Brothers, the project's general contractor. The workers were treated and classified as independent contractors, including not having taxes and other payroll deductions taken from their checks. They also did not receive the overtime rate for overtime work. See [Hernandez complaint](#)
  - The *Garcia* case was filed in September 2025. This case involves wage theft of three HVAC workers at Charles Woodward High School in Rockville, which they were renovating. The workers were employed by Ruiz Construction LLC, a subcontractor to Hess Construction Company, the general contractor on the project. Ruiz Construction failed to pay the workers the prevailing wage, the correct overtime rate, and failed to pay the workers for all hours worked. See [Garcia complaint](#)
- **Neighboring jurisdictions offer Montgomery County two different approaches to incorporate PLAs into school construction:**
  - The PGCPs P3/PLA model provides MCPS with a path forward to link a funding mechanism with pro-active worker protections.
    - ◇ In 2019, PGCPs launched its P3 program to accelerate school construction and reduce school construction and maintenance costs. Phase 1 of the P3 program delivered six new schools over a two-and-a-half delivery period, meeting the goal of welcoming students in September 2023.
    - ◇ However, instances of wage theft occurred on Phase 1.<sup>i</sup> In response, the Prince George's County Board of Education voted in September 2023 to require a project labor agreement on Phase 2.<sup>ii</sup>
    - ◇ PGCPs' P3 Phase 2 is on schedule, with no instances of wage theft. All local hiring and MBE goals are being met. The general contractor for Phase 2 regularly meets with the Baltimore-Washington Building Trades to review performance.
  - The District of Columbia requires all city-funded construction projects valued at \$50 million or more to have PLAs, including school projects.
    - ◇ The District PLA law was originally passed in 2016 with a threshold of \$75 million. In 2024, the threshold was lowered to \$50 million, effective in FY2026.<sup>iii</sup>
    - ◇ Several DC schools have already been completed with PLAs, and the FY2026 capital budget includes five more, plus another four within the six-year CIP that still need scheduling. See [DC Department of General Services PLA Projects](#)

<sup>i</sup> <https://wjla.com/news/local/pg-county-billion-dollar-school-project-hit-by-lawsuits-allegations-of-unpaid-labor-and-misclassification>

<sup>ii</sup> <https://dbknews.com/2023/11/20/pgcps-contractors-lawsuit-wage-theft/>

<sup>iii</sup> <https://code.dccouncil.gov/us/dc/council/code/sections/2-356.06>