

# HOUSE BILL 689

P2, K3

6lr2820  
CF 6lr2821

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By: **Delegate Frick**

Introduced and read first time: February 5, 2016

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Procurement – Prevailing Wage – Liquidated Damages**

3 FOR the purpose of altering the circumstances under which a certain contractor is liable  
4 for certain damages and the amount of certain damages for which a certain  
5 contractor is liable when certain laborers or certain other employees are paid less  
6 than certain prevailing wage rates; and generally relating to the enforcement of the  
7 prevailing wage law.

8 BY repealing and reenacting, with amendments,  
9 Article – State Finance and Procurement  
10 Section 17–222  
11 Annotated Code of Maryland  
12 (2015 Replacement Volume)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
14 That the Laws of Maryland read as follows:

15 **Article – State Finance and Procurement**

16 17–222.

17 (a) **(1) [A] EXCEPT AS PROVIDED UNDER PARAGRAPH (2) OF THIS**  
18 **SUBSECTION, A** contractor under a public work contract is liable to the public body for  
19 liquidated damages of **[\$20] \$50** for each laborer or other employee for each day for which:

20 **[(1)] (I)** the laborer is paid less than the prevailing wage rate of a  
21 mechanic while performing a task required to be performed by a mechanic or mechanic's  
22 apprentice; or

23 **[(2)] (II)** the employee is paid less than the prevailing wage rate.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(2) A CONTRACTOR UNDER A PUBLIC WORK CONTRACT THAT KNEW**  
2 **OR REASONABLY SHOULD HAVE KNOWN OF THE CONTRACTOR'S OBLIGATION TO PAY**  
3 **THE PREVAILING WAGE RATE AND THAT DELIBERATELY FAILED OR REFUSED TO PAY**  
4 **THE PREVAILING WAGE RATE IS LIABLE TO THE PUBLIC BODY FOR LIQUIDATED**  
5 **DAMAGES OF \$500 FOR EACH LABORER OR OTHER EMPLOYEE FOR EACH DAY FOR**  
6 **WHICH:**

7                   **(I) THE LABORER IS PAID LESS THAN THE PREVAILING WAGE**  
8 **RATE OF A MECHANIC WHILE THE LABORER IS PERFORMING A TASK REQUIRED TO**  
9 **BE PERFORMED BY A MECHANIC OR MECHANIC'S APPRENTICE; OR**

10                   **(II) THE EMPLOYEE IS PAID LESS THAN THE PREVAILING WAGE**  
11 **RATE.**

12           (b) (1) If a contractor or subcontractor pays an employee less than the amount  
13 the employee is entitled to receive for the work performed, the contractor shall make  
14 restitution to the employee.

15                   (2) The contractor and the subcontractor shall be jointly and severally  
16 liable for restitution to the subcontractor's employees.

17           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 October 1, 2016.