

CF 7r2711

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**By: Delegates V. Mitchell, Wood, Hutchins, Baldwin, Donoghue, Bissett, McClenahan,  
Eckardt, W. Baker, Kach, La Vay, Linton, and Poole**

Introduced and read first time: January 31, 1997

Assigned to: Economic Matters

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 1997

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## CHAPTER \_\_\_\_

1 AN ACT concerning

2 **Prevailing Wage - Overtime**

3 FOR the purpose of altering certain requirements for overtime compensation for certain  
4 employees on certain public works projects; establishing certain penalties for certain  
5 violations of the prevailing wage law; increasing certain penalties for certain  
6 violations of the prevailing wage law; requiring the Governor to include an  
7 appropriation in the annual budget to fund certain positions; providing for the  
8 application of this Act; and generally relating to overtime compensation for  
9 employees under the prevailing wage law.

10 BY repealing and reenacting, with amendments,  
11 Article - State Finance and Procurement  
12 Section 17-214, 17-219, 17-222, and 17-226  
13 Annotated Code of Maryland  
14 (1995 Replacement Volume and 1996 Supplement)

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

17 **Article - State Finance and Procurement**

18 17-214.

19 Each contractor and subcontractor under a public work contract shall pay not less  
20 than the prevailing wage rate of:

21 (1) straight time to an employee who works:

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1 (I) [8] 10 hours or less in a single calendar day except a Sunday or  
2 legal holiday; ~~and~~ OR

3 (II) 40 HOURS OR LESS DURING 1 WORKWEEK; AND

4 (2) overtime to an employee for each hour the employee works:

5 (i) in excess of [8] 10 hours in any single calendar day; [and]

6 (II) IN EXCESS OF 40 HOURS DURING 1 WORKWEEK; ~~AND~~ OR

7 [(ii)] (III) on a Sunday or legal holiday.

8 17-219.

9 (a) Each contractor under a public work contract subject to this subtitle shall:

10 (1) post a clearly legible statement of each prevailing wage rate to be paid  
11 under the public work contract; and

12 (2) keep the statement posted during the full time that any employee is  
13 employed on the public work contract.

14 (b) The statement of prevailing wage rates shall be posted in a prominent and  
15 easily accessible place at the site of the public work.

16 (C) THE SECRETARY MAY IMPOSE ON A PERSON THAT VIOLATES THIS  
17 SECTION A CIVIL PENALTY OF \$50 PER VIOLATION.

18 17-222.

19 (a) A contractor under a public work contract is liable to the public body for  
20 liquidated damages of [10] \$20 for each laborer or other employee for each day for  
21 which:

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

24 (2) the employee is paid less than the prevailing wage rate.

25 (b) If a contractor or subcontractor pays an employee less than the amount the  
26 employee is entitled to receive for the work performed, the contractor or subcontractor  
27 shall make restitution to the employee.

28 17-226.

29 (a) (1) After investigation and entry of an order in accordance with § 17-221 of  
30 this subtitle, the Commissioner shall file with the Secretary of State a list of the  
31 contractors and any subcontractors who persistently and willfully violate the provisions of  
32 this subtitle.

33 (2) Filing under this subsection shall be notice to a public body and its  
34 representatives.

35 (b) (1) If the name of a contractor or any subcontractor appears on the list, that  
36 contractor or subcontractor shall be prohibited from entering into a contract for

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1 construction of a public work directly or indirectly for [1 year] 2 YEARS from the day on  
2 which the list is filed.

3 (2) A public body may not award a contract for construction of a public  
4 work to a person who is prohibited from entering into a contract under this section.

5 SECTION 2. AND BE IT FURTHER ENACTED, That the Governor shall include  
6 in the annual budget for each fiscal year beginning with Fiscal Year 1999 an  
7 appropriation for two additional Wage and Hour Inspectors I, Grade 9, in the Prevailing  
8 Wage Unit of the Division of Labor and Industry in the Department of Labor, Licensing,  
9 and Regulation.

10 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall be construed  
11 prospectively and may be applied only to contracts resulting from a request for proposals  
12 made after the effective date of this Act.

13 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 October 1, 1997.