
By: **Chairman, Finance Committee (Departmental - Labor, Licensing and Regulation)**

Introduced and read first time: January 23, 2002

Assigned to: Rules

Re-referred to: Finance, February 7, 2002

Committee Report: Favorable

Senate action: Adopted

Read second time: March 8, 2002

CHAPTER _____

1 AN ACT concerning

2 **Public Work Contracts - Prevailing Wage Rate - Liability**

3 FOR the purpose of establishing the liability of a general contractor for restitution to
4 an employee under certain circumstances; and generally relating to the payment
5 of the prevailing wage rate.

6 BY repealing and reenacting, with amendments,
7 Article - State Finance and Procurement
8 Section 17-222
9 Annotated Code of Maryland
10 (2001 Replacement Volume)

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

13 **Article - State Finance and Procurement**

14 17-222.

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

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

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

2 (b) (1) If a contractor or subcontractor pays an employee less than the
3 amount the employee is entitled to receive for the work performed, the contractor [or
4 subcontractor] shall make restitution to the employee.

5 (2) THE CONTRACTOR AND THE SUBCONTRACTOR SHALL BE JOINTLY
6 AND SEVERALLY LIABLE FOR RESTITUTION TO THE SUBCONTRACTOR'S EMPLOYEES.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
8 effect June 1, 2002.