

HOUSE BILL 689

P2, K3

6lr2820
CF SB 1009

By: **Delegate Frick**

Introduced and read first time: February 5, 2016

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 12, 2016

CHAPTER _____

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~~ making a certain contractor liable to a public body for a higher
6 amount of liquidated damages when certain laborers or certain other employees are
7 paid less than certain prevailing wage rates under certain circumstances; and
8 generally relating to the enforcement of the prevailing wage law.

9 BY repealing and reenacting, with amendments,
10 Article – State Finance and Procurement
11 Section 17–222
12 Annotated Code of Maryland
13 (2015 Replacement Volume)

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

16 **Article – State Finance and Procurement**

17 17–222.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

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

5 **(2) A CONTRACTOR UNDER A PUBLIC WORK CONTRACT THAT KNEW**
 6 **OR REASONABLY SHOULD HAVE KNOWN OF THE CONTRACTOR'S OBLIGATION TO PAY**
 7 **THE PREVAILING WAGE RATE AND THAT DELIBERATELY FAILED OR REFUSED TO PAY**
 8 **THE PREVAILING WAGE RATE IS LIABLE TO THE PUBLIC BODY FOR LIQUIDATED**
 9 **DAMAGES OF ~~\$500~~ \$250 FOR EACH LABORER OR OTHER EMPLOYEE FOR EACH DAY**
 10 **FOR WHICH:**

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

14 **(II) THE EMPLOYEE IS PAID LESS THAN THE PREVAILING WAGE**
 15 **RATE.**

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

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

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

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.