

HOUSE BILL 513

C5, P2

3lr2493
CF 3lr1747

By: **Delegate Queen**

Introduced and read first time: February 1, 2023

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 11, 2023

CHAPTER _____

1 AN ACT concerning

2 **Investor-Owned Utilities – Prevailing Wage – Enforcement**

3 FOR the purpose of ~~authorizing~~ requiring the ~~Public Service Commission~~ Maryland
4 Department of Labor to enforce certain prevailing wage requirements for contractors
5 and subcontractors working on certain projects involving, and traffic control
6 activities related to, underground gas or electric infrastructure of an investor-owned
7 gas company, electric company, or combination gas and electric company; requiring
8 certain contractors and subcontractors to request from the Department a copy of a
9 certain wage determination and ensure that certain employees are paid in
10 compliance with the existing prevailing wage rates; requiring the Department to
11 provide certain guidance to a certain contractor or subcontractor; requiring the
12 Commissioner of Labor and Industry to determine certain prevailing wages on or
13 before a certain date under certain circumstances; requiring the Commissioner to
14 waive certain civil penalties and prohibiting the Commissioner from taking certain
15 actions against a certain contractor or subcontractor under certain circumstances;
16 and generally relating to investor-owned utilities and the enforcement of prevailing
17 wage laws.

18 BY repealing and reenacting, with amendments,
19 Article – Public Utilities
20 Section 5–305
21 Annotated Code of Maryland
22 (2020 Replacement Volume and 2022 Supplement)

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

3 **Article – Public Utilities**

4 5–305.

5 (a) This section applies to a project by an investor–owned gas company, electric
6 company, or combination gas and electric company involving the construction,
7 reconstruction, installation, demolition, restoration, or alteration of any underground gas
8 or electric infrastructure of the company, and any related traffic control activities.

9 (b) An investor–owned gas company, electric company, or combination gas and
10 electric company shall require a contractor or subcontractor on a project described in
11 subsection (a) of this section to pay its employees not less than the prevailing wage rate
12 determined **SOLELY** by the Commissioner of Labor and Industry **IN A PROCESS**
13 **SUBSTANTIALLY SIMILAR TO THE PROCESS ESTABLISHED** under Title 17, Subtitle 2 of
14 the State Finance and Procurement Article.

15 ~~(c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMMISSION~~

16 **(C) IN ACCORDANCE WITH TITLE 3, SUBTITLE 5 OF THE LABOR AND**
17 **EMPLOYMENT ARTICLE, THE MARYLAND DEPARTMENT OF LABOR SHALL ENFORCE**
18 **THE REQUIREMENT UNDER SUBSECTION (B) OF THIS SECTION FOR CONTRACTORS**
19 **AND SUBCONTRACTORS TO PAY EMPLOYEES NOT LESS THAN THE PREVAILING WAGE**
20 **RATE DETERMINED SOLELY BY THE COMMISSIONER OF LABOR AND INDUSTRY**
21 **UNDER TITLE 17, SUBTITLE 2 OF THE STATE FINANCE AND PROCUREMENT**
22 **ARTICLE.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That:

24 (a) On or before October 1, 2023, contractors and subcontractors subject to §
25 5–305 of the Public Utilities Article, as enacted by Section 1 of this Act, shall:

26 (1) request from the Maryland Department of Labor a copy of a wage
27 determination of the existing prevailing wage rates applicable to work covered by § 5–305
28 of the Public Utilities Article, as enacted by Section 1 of this Act; and

29 (2) ensure that all employees performing covered work are paid in
30 compliance with the existing prevailing wage rates.

31 (b) (1) On receipt of a request from a contractor or subcontractor in accordance
32 with subsection (a) of this section, the Maryland Department of Labor shall promptly
33 provide guidance to the contractor or subcontractor regarding which of the existing
34 prevailing wage rates and classifications apply to covered work.

1 (2) If the Maryland Department of Labor determines that no existing
2 prevailing wage rates and classifications apply to the covered work, the Commissioner of
3 Labor and Industry shall, on or before December 1, 2023, determine the initial prevailing
4 wage rates required under this Act by hand survey.

5 SECTION 3. AND BE IT FURTHER ENACTED, That the Commissioner of Labor
6 and Industry shall waive all civil penalties for, and may not take any related action against,
7 a contractor or subcontractor who, on or before the effective date of this Act, is not in
8 compliance with the prevailing wage requirements under § 5-305 of the Public Utilities
9 Article, as enacted by Section 1 of this Act, if the contractor or subcontractor comes into
10 compliance with the prevailing wage requirements by March 1, 2024.

11 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 ~~October~~ June 1, 2023.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.