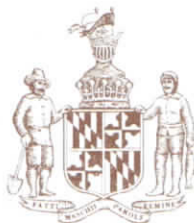


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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

February 10, 2022

**SB1**  
**State Finance and Procurement – Prevailing Wage – Stop Work Orders**

Good Afternoon Chair Kelley, Vice Chair Feldman and Members of the Finance Committee:

SB1 Authorizes the Commissioner of Labor and Industry in the Maryland Department Labor, AFTER AN INVESTIGATION, to issue a stop work order to a public works contractor or subcontractor that may have violated the State's prevailing wage law. The bill requires the commissioner to conduct an investigation of compliance with prevailing wage requirements promptly if the commissioner receives a complaint of a violation or possible violation. The commissioner may impose penalties and/or civil fines for specified violations. The stop work order is completely discretionary.

The Maryland State Board of Contract Appeals (MSBCA) has jurisdiction to hear and decide an appeal arising from a decision to issue a stop work order; the bill establishes timelines for submitting an appeal to the board, hearing appeal and issuing a decision.

If a stop work order is issued against a subcontractor, the prime contractor on the contract may terminate the contract with the subcontractor without incurring liability form damages resulting from the termination.

The Commissioner shall issue an order releasing the stop work order on a showing by the contractor or subcontractor that that the employees are being paid the appropriate prevailing wage.

This bill is obviously aimed at the "bad actors" that are contractors receiving prevailing wage contracts.

Thank you for the opportunity to present SB1, I respectfully request a favorable report.