
CITY OF BALTIMORE

CATHERINE E. PUGH,
Mayor



DEPARTMENT OF LAW
ANDRE M. DAVIS, CITY SOLICITOR
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BALTIMORE, MD 21202

January 14, 2019

The Honorable President and Members
of the Baltimore City Council
Attn: Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 18-0297 – Prevailing Wages – Tax Increment Financing

Dear President and City Council Members:

The Law Department has reviewed City Council Bill 18-0297 for form and legal sufficiency. The bill extends the existing prevailing wage requirement to projects receiving funds from tax increment financing in excess of \$10,000,000.

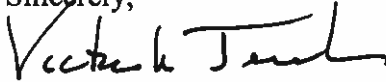
Chapter 817 of the 2018 Laws of Maryland amended the State's provisions relating to prevailing wages in public works contracts. The law permitted local prevailing wage rates to be extended to certain public works projects located in a designated tax increment financing development district created on or after July 1, 2018. The new law, however, was applicable only if Baltimore City or other political subdivisions of the State authorized that a construction project was subject to the new law.

Council Bill 18-0297 is the enabling ordinance required by Chapter 817 of the 2018 Laws of Maryland. It allows the City's prevailing wage requirements to be used for various types of construction projects conducted in a TIF district.

As an aside, we point out that the language in the current law, which is quoted on page 2, lines 13 and 14, stating that contracts over \$5,000 are affected by the City's prevailing wage law is incorrect. Under the State's enabling law, State Finance and Procurement, §17-202(b), the prevailing wage is applicable only to contracts over \$500,000. The Law Department discussed this problem with the Department of Legislative Reference. Legislative Reference concluded that the error can be corrected in the next package of corrective legislation.

The Law Department can approve the above bill for form and legal sufficiency as drafted.

Sincerely,



Victor K. Tervalo
Chief Solicitor

cc: Andre M. Davis, City Solicitor
Karen Stokes, Director, Mayor's Office of Government Relations
Kyron Banks, Mayor's Legislative Liaison
Elena DiPietro, Chief Solicitor, General Counsel Division
Hilary Ruley, Chief Solicitor
Ashlea Brown, Assistant Solicitor