

City Council Bill 22-0249

Prevailing Wage - Revisions and Petitions

What are Prevailing Wages?

- Baltimore City Code [Article 5. Finance, Property, and Procurement](#)
 - Subsection 25: PREVAILING WAGES FOR WORK UNDER CONSTRUCTION CONTRACTS
- Definition:
 - A prevailing wage is the **basic hourly wage and benefit rate provided to a group of similarly employed workers in a specific geographic area.**

Overview of Process

1. The Wage Enforcement division of OECR collects payroll information via a survey to recommend the prevailing wage rates for the following calendar year
2. The survey data is analyzed and new rates are recommended to the Board of Estimates
 - a. When we do not get enough survey responses for a particular rate, the rate remains unchanged
3. The Board of Estimates sets the annual prevailing wage rates in December
4. Companies use these rates when bidding on projects and paying existing workers
5. Companies submit payroll information throughout the year to OECR as part of our wage enforcement efforts

Survey Process Timeline

Baltimore City	State of Maryland
September 1 - October 31 Survey submitted by contractors	September 1 - October 31 Survey submitted by contractors
October 31st: In-House Committee Meeting to analyze survey results	
November 14th: Meeting with all interested parties to present survey results	
November 28th: Submit rates to the Board of Estimates for approval	November 30 th : new rates posted
By December 23: new rates posted	

Goals of City Council Bill 22-0249

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- ▶ Streamline potentially redundant processes
- ▶ Align with State process
- ▶ Ensure workers are paid an appropriate prevailing wage
- ▶ Residual benefits
 - ▶ Better wage enforcement via increased staff capacity
 - ▶ More equitable and accurate prevailing wage rates
 - ▶ Align with a process that contractors are already familiar with

Key Points to Consider

- MD rates are set on a jurisdiction-by-jurisdiction basis
 - The rates for each county are set based on the projects in that county. The State can provide City-specific data
 - Baltimore City and Prince George's county are the only two jurisdictions that do not use the State process for setting rates
- The State already collects surveys for State funded projects within the City.
 - If passed, contractors can submit to the State surveys for city funded projects.
- Differences in the Classifications
 - Baltimore City has five classifications
 - The State uses two classifications
 - Building Construction & Highway Construction - the most utilized classifications within Baltimore City