

BaltAC

FROM	NAME & TITLE	Robert Cename, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 20-0629—Prevailing Wage-Determination		

TO

DATE:

The Honorable President and
Members of the City Council
City Hall, Room 400

October 9, 2020

Position: Does Not Oppose

The Department of Finance is herein reporting on City Council Bill 20-0629, Prevailing Wage-Determination, the purpose of which is set the City's prevailing hourly wage rate to the rate established by the Maryland State Commission of Labor and Industry.

Background

The City's prevailing wage law, which regulates the rates of pay, hours of labor, obligations of employers, and conditions of employment, applies to contracts above \$5,000 and tax increment financing projects above \$10 million that use funds for construction work. The prevailing wage rate is the hourly wage paid to mechanics, laborers, and apprentices. The rate is established by an annual wage determination survey completed by registered contractors, contractor's associations, and labor organizations and submitted to the Office of Equity and Civil Rights (OECR), which determines and publishes the annual rates.

The Maryland State Commission of Labor and Industry conducts a similar survey and establishes a prevailing wage rate for each jurisdiction within Maryland. This legislation would establish Baltimore City's prevailing wage rate as the rate determined by the State for the City, eliminating the need for the City to conduct its own survey and for contractors, contractor's associations, and labor organizations to complete multiple surveys. The prevailing wage rate established by the State is usually very similar to the rate established by the City, if not the exact same. Baltimore County introduced similar legislation this month.

Fiscal Impact Analysis

The Department of Finance does not anticipate a cost for the City. This legislation will eliminate a task currently completed by OECR staff, thereby increasing staff time for other work.

Conclusion

This legislation will set the City's prevailing wage at the State's prevailing wage rate, based on the annual wage determination survey, and enable OECR to spend time and resources previously dedicated to the City's wage determination survey on other responsibilities.

For the reasons stated above, the Department of Finance does not oppose City Council Bill 20-0629.

cc: Henry Raymond
Matthew Stegman
Nina Themelis