



MEMORANDUM

To: The Honorable President and Members of the City Council
c/o Natawna Austin, Executive Secretary

From: Honorable Bill Henry, Office of the Comptroller

Date: June 28, 2022

Re: CCB 22-0249 Prevailing Wage - Revisions and Petitions

Position: Support

The Office of the Comptroller is hereby reporting on City Council Bill 22-0249 Prevailing Wage - Revisions and Petitions. The purpose of this bill is to simplify the manner by which the City revises its prevailing wage for construction contracts and providing for a rate review procedure after the initial rate establishment.

Background

CCB 22-0249 simplifies the City's Prevailing Wage policy by eliminating the requirement for a local assessment. Instead, the proposal dictates that the City will follow the Maryland State's Department of Labor Assessment (DLLR). DLLR works with contractors, trade associations and labor groups annually to determine the prevailing wage via survey.

While the wage determination will be left up to the State, the City can intervene if necessary. The bill allows contracting agencies to petition for a review of the wage, if a revision is needed. Prevailing Wage is used on city or state construction projects over \$500,000, including TIF projects such as the Perkins Homes redevelopment.

In 2020, CCB 20-0629 Prevailing Wage – Determination was introduced and passed by the City Council. It failed to become law without the Mayor's signature. It shares the same intent as CCB 22-0249.

The Office of the Comptroller foresees no direct fiscal or operational impact from City Council Bill 22-0249 and **supports** its passage.

CC:

Celeste Amato, Chief of Staff, Comptroller's Office
KC Kelleher, Director of Communication, Comptroller's Office
Nina Themelis, Mayor's Office
Sophia Gebrehiwot, Mayor's Office