



October 13, 2020



TO

DATE:

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

Position: Does Not Oppose

Dear President and City Council Members:

Baltimore City's Office of Equity and Civil Rights (OECR) has reviewed City Council Bill 20-0629. This bill seeks to simplify the manner by which the City determines its prevailing wage for construction contracts by indexing with the prevailing wage established under State law for State-financed construction work performed in the City

Background

The Wage Commission currently enforces prevailing wage rates for all city construction projects led by the Mayor and City Council over \$5,000.

- 1. Building Construction
- 2. Highways
- 3. Alleys, Sewers and Drains
- 4. Housing
- 5. Maintenance, repair and minor remodeling Bureau of Purchases

Weekly payrolls are submitted to the agency, checked, and verified by field interviews. Penalties are assessed for late submission of payrolls, paying below the contract rate for specific trades such as carpenter, electrician, ironworker, etc., and not maintaining proper ratios of apprentices to journeymen. Hearings are conducted in relation to any violations.

The agency conducts annual surveys to determine the prevailing wages to be paid on City contracts and makes its recommendation to the Board of Estimates. The Maryland State Commission of Labor and Industry and other municipalities within the state conduct wage surveys of the various contracting and trades organizations to establish the annual prevailing wage rate by averaging the rates supplied by the trades organizations.

Conclusion

Contracting Associations have expressed the need to consolidate the survey process to eliminate duplicative work for multiple jurisdictions in recent years. Most of the various municipal agencies conduct their surveys around the same time each year. The contracting associations provide the same survey information to the City and the Maryland State Commission of Labor. The Maryland State Commission of Labor and Industry survey rates traditionally have mirrored the City of Baltimore rates annually. The Office of Equity and Civil Rights and the Wage Commission does not oppose City Council Bill 20-0629.

Cc: Henry Raymond Matthew Stegman Nina Themelis