

# HOUSE BILL 299

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(PRE-FILED)

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CF SB 60

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By: Chair, Government, Labor, and Elections Committee (By Request – Departmental – Labor)

Requested: September 16, 2025

Introduced and read first time: January 14, 2026

Assigned to: Government, Labor, and Elections

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## A BILL ENTITLED

1 AN ACT concerning

2 **Fraud Prevention, Prevailing Wage, and Living Wage – Prohibitions, Penalties,**  
3 **and Enforcement**

4 FOR the purpose of prohibiting a person from knowingly making or using, or causing to be  
5 made or used, a false record or statement resulting in underpayments of  
6 unemployment insurance contributions or payment of unemployment insurance  
7 benefits of more than a certain amount; requiring the Comptroller to deposit into the  
8 Unemployment Insurance Fund certain civil penalties or damages collected under  
9 the Maryland False Claims Act (MFCA); requiring that certain civil penalties and  
10 damages be used in a certain manner if a violation of the MFCA involves the failure  
11 to pay prevailing wage rates; requiring the Commissioner of Labor and Industry and  
12 the Attorney General to take certain actions related to the enforcement of the MFCA,  
13 workplace fraud laws, prevailing wage laws, and living wage laws; altering certain  
14 enforcement mechanisms related to workplace fraud laws, prevailing wage laws, and  
15 living wage laws, including authorizing the Attorney General to investigate and  
16 bring suit in a certain manner; requiring a licensing authority to revoke or suspend  
17 the license of a licensee for a certain workplace fraud violation under certain  
18 circumstances; altering the circumstances under which a person may be debarred  
19 under State procurement law; and generally relating to fraud prevention,  
20 debarment, prevailing wages, and living wages.

21 BY repealing and reenacting, with amendments,  
22 Article – General Provisions  
23 Section 8–102(a) and (b)(8) and (9) and 8–109(b) and (c)  
24 Annotated Code of Maryland  
25 (2019 Replacement Volume and 2025 Supplement)

26 BY adding to  
27 Article – General Provisions

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Section 8–102(b)(9)  
Annotated Code of Maryland  
(2019 Replacement Volume and 2025 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article – Labor and Employment  
6 Section 3–906, 3–908 through 3–910, and 3–913  
7 Annotated Code of Maryland  
8 (2025 Replacement Volume)

9 BY repealing and reenacting, without amendments,  
10 Article – Labor and Employment  
11 Section 3–911  
12 Annotated Code of Maryland  
13 (2025 Replacement Volume)

14 BY adding to  
15 Article – Labor and Employment  
16 Section 3–912  
17 Annotated Code of Maryland  
18 (2025 Replacement Volume)

19 BY repealing and reenacting, with amendments,  
20 Article – State Finance and Procurement  
21 Section 16–203(a)(9) and (10), 17–221(g), 17–224, 18–107, and 18–109  
22 Annotated Code of Maryland  
23 (2021 Replacement Volume and 2025 Supplement)

24 BY adding to  
25 Article – State Finance and Procurement  
26 Section 18–110  
27 Annotated Code of Maryland  
28 (2021 Replacement Volume and 2025 Supplement)

29 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
30 That the Laws of Maryland read as follows:

## **Article – General Provisions**

32 8-102.

33           (a) [This] EXCEPT AS PROVIDED IN SUBSECTION (B)(9) OF THIS SECTION,  
34 THIS section does not apply to claims, records, or statements related to State or local taxes.

35 (b) A person may not:

(9) KNOWINGLY MAKE, USE, OR CAUSE TO BE MADE OR USED, A FALSE RECORD OR STATEMENT RESULTING IN:

(I) THE UNDERPAYMENT OF CONTRIBUTIONS OWED TO THE  
UNEMPLOYMENT INSURANCE FUND; OR

11 [§ 87(2)(b)] (10) knowingly make any other false or fraudulent claim against a  
12 governmental entity.

13 8-109.

14           (b)   (1)   **(I)**   The governmental entity shall make all reasonable efforts to  
15 coordinate any investigation of an alleged violation under this title with any investigation  
16 conducted by the federal government involving the same violation.

21                   1. THE GOVERNMENTAL ENTITY WITH INVESTIGATIVE  
22 AUTHORITY FOR THE ALLEGED VIOLATION IS THE COMMISSIONER OF LABOR AND  
23 INDUSTRY OR THE ATTORNEY GENERAL; AND

24                           **2. THE ALLEGED VIOLATION IS OF A NATURE AND SCOPE**  
25 **THAT COULD GIVE RISE TO A VIOLATION OR AN ACTION UNDER TITLE 3, SUBTITLE**  
26 **9 OF THE LABOR AND EMPLOYMENT ARTICLE OR TITLE 16, TITLE 17, SUBTITLE 2,**  
27 **OR TITLE 18 OF THE STATE FINANCE AND PROCUREMENT ARTICLE**

(2) The governmental entity's objective shall be to avoid unnecessary duplication of effort on the part of the person alleged to have committed the violation and to minimize the burden of the investigation on the person.

31           (c) (1) Except as provided under paragraph (2) of this subsection, the  
32 Comptroller shall deposit any civil penalty or damages collected by the State under this  
33 title into the General Fund of the State.

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1                             (2)     (i)     If a violation of this title affects any of the following funds, the  
2 Comptroller shall deposit any civil penalty or damages collected by the State under this  
3 title into the affected fund:

4                             1.     a fund that is not subject to § 7–302 of the State Finance  
5 and Procurement Article;

6                             2.     a special fund requiring the reversion of appropriated  
7 funds to the special fund under § 7–304 of the State Finance and Procurement Article;

8                             3.     a fund under the jurisdiction of the Board of Trustees for  
9 the State Retirement and Pension System; [or]

10                          4.     a fund under the jurisdiction of the State Employee and  
11 Retiree Health and Welfare Benefits Program; OR

12                         **5. THE UNEMPLOYMENT INSURANCE FUND.**

13                         (ii)    If more than one fund is affected by a violation of this title, the  
14 Comptroller shall deposit any civil penalty or damages collected by the State into the  
15 appropriate fund or the General Fund of the State on a pro rata basis.

16                         **(III) IF A VIOLATION OF THIS TITLE INVOLVED THE FAILURE TO**  
17 **PAY PREVAILING WAGE RATES IN ACCORDANCE WITH TITLE 17, SUBTITLE 2 OF THE**  
18 **STATE FINANCE AND PROCUREMENT ARTICLE, CIVIL PENALTIES AND DAMAGES**  
19 **COLLECTED UNDER THIS TITLE MAY BE USED TO PAY RESTITUTION TO AFFECTED**  
20 **WORKERS.**

21                         **Article – Labor and Employment**

22     3–906.

23                         (a)    [After] **WITHIN 90 DAYS AFTER** the employer has provided all the records  
24 requested under § 3–905(d) of this subtitle, the Commissioner shall:

25                         (1)    issue a citation to the employer;

26                         (2)    REFER THE MATTER TO THE ATTORNEY GENERAL IN  
27 ACCORDANCE WITH § 3–910 OF THIS SUBTITLE; or

28                         (3)    close the investigation [within 90 days].

29                         (b)    Each citation shall:

30                         (1)    describe in detail the nature of the alleged violation;

(2) cite the provision of this subtitle or any regulation that the employer is  
alleged to have violated; and

(3) state the civil penalty, if any, that the Commissioner proposes to assess.

4                   (c) Within a reasonable time after issuance of a citation, the Commissioner shall  
5 send by certified mail to the employer:

6 (1) a copy of the citation; and

7 (2) notice of the opportunity to request a hearing.

(d) Within 15 days after an employer receives a notice under subsection (c) of this section, the employer may submit a written request for a hearing on the citation and proposed penalty.

11           (e) If a hearing is not requested within 15 days, the citation, including any  
12 penalties, shall become a final order of the Commissioner.

13           (f)     (1)     If the employer requests a hearing, the Commissioner shall delegate to  
14 the Office of Administrative Hearings the authority to hold a hearing and issue findings of  
15 fact, conclusions of law, and an order, and assess a penalty under § 3-909 of this subtitle  
16 in accordance with Title 10, Subtitle 2 of the State Government Article.

(2) The employer is entitled to a hearing within 90 days after a timely request is made under this subsection, unless the employer waives that right.

19                 (g) Within 15 days after a request, in accordance with Title 4 of the General  
20 Provisions Article and the applicable regulations of the Department and the Office of  
21 Administrative Hearings, the Commissioner shall provide copies of all relevant evidence,  
22 including a list of potential witnesses, on which the Commissioner intends to rely at any  
23 administrative hearing under this subtitle.

24 (h) The Commissioner has the burden of proof to show that an employer has  
25 knowingly failed to properly classify an individual as an employee.

(i) A decision of an administrative law judge issued in accordance with Title 10, Subtitle 2 of the State Government Article shall become a final order of the Commissioner.

(j) Any party aggrieved by a final order of the Commissioner under subsection (i) of this section may seek judicial review and appeal under §§ 10-222 and 10-223 of the State Government Article.

31           (K) A GENERAL CONTRACTOR ON A PROJECT FOR CONSTRUCTION  
32 SERVICES, INCLUDING A PROJECT CONTRACTED FOR BY A PUBLIC BODY, IS SUBJECT  
33 TO CITATION AND JOINTLY AND SEVERALLY LIABLE FOR A VIOLATION OF THIS  
34 SUBTITLE THAT IS COMMITTED BY A SUBCONTRACTOR, REGARDLESS OF WHETHER

1 THE SUBCONTRACTOR IS IN A DIRECT CONTRACTUAL RELATIONSHIP WITH THE  
2 GENERAL CONTRACTOR.

3 3–908.

4 (a) An employer in violation of § 3–903 of this subtitle who comes into timely  
5 compliance with all applicable labor laws as required by § 3–907(b) of this subtitle may not  
6 be assessed a civil penalty.

7 (b) (1) An employer in violation of § 3–903 of this subtitle who fails to come  
8 into timely compliance with all applicable labor laws as required by § 3–907(b) of this  
9 subtitle shall be assessed a civil penalty of up to \$1,000 for each employee for whom the  
10 employer is not in compliance, **ONE-THIRD OF WHICH IS PAYABLE DIRECTLY TO THE**  
11 **INDIVIDUAL AFFECTED BY THE EMPLOYER'S VIOLATION, IN ADDITION TO ANY**  
12 **OTHER RESTITUTION OR BENEFIT TO WHICH THE INDIVIDUAL MAY BE ENTITLED**  
13 **UNDER THIS SUBTITLE.**

14 (2) In determining the amount of the penalty, the Commissioner shall  
15 consider the factors set forth in § 3–909(b) of this subtitle.

16 (c) (1) An employer may be assessed civil penalties under this section by only  
17 one final order of a court or administrative unit for the same actions constituting  
18 noncompliance with applicable labor laws as required by § 3–907(b) and (c) of this subtitle.

19 (2) Notwithstanding paragraph (1) of this subsection, an employer may be  
20 ordered to make restitution, pay any interest due, and otherwise comply with all applicable  
21 laws and regulations by multiple final orders of a court and all relevant administrative  
22 units, including the Comptroller, the Office of Unemployment Insurance, the Insurance  
23 Administration, and the Workers' Compensation Commission.

24 (d) Any penalty issued under this section against an employer shall be in effect  
25 against any successor corporation or business entity that:

26 (1) has one or more of the same principals or officers as the employer  
27 against whom the penalty was assessed; and

28 (2) is engaged in the same or equivalent trade or activity.

29 3–909.

30 (a) An employer found to have knowingly failed to properly classify an individual  
31 in violation of § 3–904 of this subtitle shall be assessed a civil penalty of up to \$10,000 for  
32 each employee who was not properly classified, **ONE-THIRD OF WHICH IS PAYABLE**  
33 **DIRECTLY TO THE INDIVIDUAL AFFECTED BY THE EMPLOYER'S VIOLATION, IN**  
34 **ADDITION TO ANY OTHER RESTITUTION OR BENEFIT TO WHICH THE INDIVIDUAL MAY**  
35 **BE ENTITLED UNDER THIS SUBTITLE.**

1           (b) In determining the amount of the penalty, the Commissioner or the  
2 administrative law judge shall consider:

(1) the gravity of the violation;

4 (2) the size of the employer's business;

(4) the employer's history of violations under this subtitle; and

7 (5) whether the employer:

(i) has been found, by a court or an administrative unit, to have deprived the employee of any rights to which the employee would have been entitled under a State protective labor law, including but not limited to:

2. the State prevailing wage law, under §§ 17-221 and  
17-222 of the State Finance and Procurement Article; or

(ii) has made restitution and come into compliance with all such State protective labor laws with respect to the employee.

18       (c) If the court or an administrative unit determines that an individual or class  
19 of individuals is entitled to restitution as a result of the employer's violation of § 3-904 of  
20 this subtitle, the court or administrative unit:

21 (1) shall award each individual any restitution to which the individual may  
22 be entitled; and

(2) may award each individual an additional amount up to three times the amount of such restitution.

25           (d) An employer in violation of § 3-904 of this subtitle may be assessed double the  
26 administrative penalties set forth in subsection (a) of this section if the employer has been  
27 found previously to have violated this subtitle by a final order of a court or an  
28 administrative unit.

(e) An employer who has been found by a final order of a court or an administrative unit to have violated § 3-904 of this subtitle three or more times may be assessed an administrative penalty of up to \$20,000 for each employee.

1                         (f) (1) An employer may be assessed civil penalties under this section or §  
2 8–201.1 or § 9–402.1 of this article by only one final order of a court or administrative unit  
3 for the same actions constituting a violation of this subtitle.

4                         (2) Notwithstanding paragraph (1) of this subsection, an employer may be  
5 ordered to make restitution, pay any interest due, and otherwise comply with all applicable  
6 laws and regulations by orders of a court and all relevant administrative units, including  
7 the Comptroller, the Office of Unemployment Insurance, the Insurance Administration,  
8 and the Workers' Compensation Commission.

9                         (g) Any penalty issued under this section against an employer shall be in effect  
10 against any successor corporation or business entity that:

11                         (1) has one or more of the same principals or officers as the employer  
12 against whom the penalty was assessed, unless the principal or officer did not or with the  
13 exercise of reasonable diligence could not know of the violation for which the penalty was  
14 imposed; and

15                         (2) is engaged in the same or equivalent trade or activity.

16 3–910.

17                         (a) As authorized by State and federal law, units within the Maryland  
18 Department of Labor and the Department of Budget and Management, the Secretary of  
19 State, the Comptroller, the Maryland Insurance Administration, **THE OFFICE OF THE**  
20 **ATTORNEY GENERAL**, and other State agencies shall cooperate and share information  
21 concerning any suspected failure to properly classify an individual as an employee.

22                         (b) On a showing by clear and convincing evidence that a violation of § 3–904 of  
23 this subtitle has occurred and as authorized by federal and State law, the Commissioner  
24 shall refer any complaint that alleges a violation of § 13–1007 or § 13–1024 of the Tax –  
25 General Article to the:

26                         (1) Comptroller;

27                         (2) State's Attorney with jurisdiction over the alleged violation;

28                         (3) U.S. Department of Justice;

29                         (4) U.S. Department of Labor; and

30                         (5) U.S. Department of the Treasury.

31                         (c) **(1) TO ASSIST IN THE ENFORCEMENT OF THIS SUBTITLE, THE**  
32 **COMMISSIONER AND THE ATTORNEY GENERAL, OR THEIR DESIGNEES, SHALL MEET**  
33 **AT LEAST MONTHLY TO SHARE INFORMATION CONCERNING MATTERS ARISING**

1 UNDER THIS SUBTITLE, TITLE 8 OF THE GENERAL PROVISIONS ARTICLE, AND  
2 TITLES 16 AND 18 AND TITLE 17, SUBTITLE 2 OF THE STATE FINANCE AND  
3 PROCUREMENT ARTICLE, INCLUDING AT A MINIMUM:

4 (I) THE CONTENT OF COMPLAINTS OR REFERRALS RECEIVED  
5 CONCERNING POTENTIAL VIOLATIONS AND ACTIONS TAKEN; AND

6 (II) THE STATUS OF INVESTIGATIONS INITIATED, INCLUDING  
7 ANY DETERMINATION OF MERIT OR RECOVERY SOUGHT OR OBTAINED.

8 (2) THE COMMISSIONER SHALL REFER TO THE ATTORNEY GENERAL  
9 ANY COMPLAINT OR REFERRAL ARISING UNDER THIS SUBTITLE FOR WHICH THE  
10 COMMISSIONER HAS:

11 (I) NOT INITIATED AN INVESTIGATION WITHIN 6 MONTHS  
12 AFTER RECEIPT;

13 (II) DECLINED TO INVESTIGATE; OR

14 (III) NOT ISSUED A CITATION OR HAS CLOSED AN INVESTIGATION  
15 IN ACCORDANCE WITH § 3-906(A) OF THIS SUBTITLE DUE TO A FINDING OF NO  
16 MERIT.

17 (3) (I) IN A MATTER REFERRED TO THE ATTORNEY GENERAL  
18 UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE ATTORNEY GENERAL MAY  
19 EXERCISE THE COMMISSIONER'S INVESTIGATIVE POWERS, INCLUDING SUBPOENA  
20 POWERS, PROVIDED UNDER THIS SUBTITLE.

21 (II) IF, AFTER AN INVESTIGATION, THE ATTORNEY GENERAL  
22 FINDS A MATTER TO BE MERITORIOUS, THE ATTORNEY GENERAL SHALL PROVIDE  
23 NOTICE TO AND CONSULT WITH THE COMMISSIONER, AFTER WHICH THE ATTORNEY  
24 GENERAL MAY BRING AN ACTION FOR:

25 1. THE IMPOSITION OF CIVIL PENALTIES UNDER § 3-908  
26 OR § 3-909 OF THIS SUBTITLE; OR

27 2. THE RELIEF DESCRIBED UNDER § 3-911(C) OF THIS  
28 SUBTITLE.

29 (4) THE COMMISSIONER AND THE ATTORNEY GENERAL SHALL  
30 COOPERATE IN THE INVESTIGATION OF ANY MATTER ARISING UNDER THIS  
31 SUBTITLE THAT IS OF UNUSUAL SCOPE OR COMPLEXITY OR INVOLVES A NOVEL OR  
32 COMPLEX LEGAL ISSUE.

1 3-911.

2 (a) (1) Except as provided in paragraph (2) of this subsection, an individual  
3 who has not been properly classified as an employee may bring a civil action for economic  
4 damages against the employer for any violation of this subtitle.

5 (2) An individual may not bring a civil action under this section if a final  
6 order of an administrative unit or of a court has been issued under § 3-906 of this subtitle.

7 (b) An action filed under this section shall be filed within 3 years after the date  
8 the cause of action accrues.

9 (c) If the court determines that an individual or class of individuals is entitled to  
10 judgment in an action against an employer filed in accordance with this section, the court  
11 may award each individual:

12 (1) any damages to which the individual may be entitled under subsection  
13 (a) of this section;

14 (2) an additional amount up to three times the amount of any such  
15 damages, if the employer knowingly failed to properly classify the individual;

16 (3) reasonable counsel fees and other costs of the action; and

17 (4) any other appropriate relief.

18 **3-912.**

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
20 INDICATED.

21 (2) "LICENSE" MEANS A LICENSE, CERTIFICATE, REGISTRATION,  
22 PERMIT, OR OTHER AUTHORIZATION THAT:

23 (I) IS ISSUED BY A LICENSING AUTHORITY;

24 (II) IS SUBJECT TO SUSPENSION, REVOCATION, FORFEITURE,  
25 OR TERMINATION BY A LICENSING AUTHORITY; AND

26 (III) IS NECESSARY FOR A PERSON TO PRACTICE OR ENGAGE IN  
27 A PARTICULAR BUSINESS, OCCUPATION, OR PROFESSION.

28 (3) "LICENSEE" MEANS AN EMPLOYER HOLDING A VALID LICENSE.

1                   (4) (I) "LICENSING AUTHORITY" MEANS A UNIT OF THE DIVISION  
2 OF OCCUPATIONAL AND PROFESSIONAL LICENSING IN THE MARYLAND  
3 DEPARTMENT OF LABOR.

4                   (II) "LICENSING AUTHORITY" INCLUDES:

- 5                   1. THE ELEVATOR SAFETY REVIEW BOARD;
- 6                   2. THE MARYLAND HOME IMPROVEMENT COMMISSION;
- 7                   3. THE STATE BOARD OF ELECTRICIANS;
- 8                   4. THE STATE BOARD OF HEATING, VENTILATION,  
9 AIR-CONDITIONING, AND REFRIGERATION CONTRACTORS;
- 10                  5. THE STATE BOARD OF PLUMBING;
- 11                  6. THE MARYLAND BOARD OF PUBLIC ACCOUNTANCY;
- 12 AND
- 13                  7. THE MARYLAND BOARD OF INDIVIDUAL TAX  
14 PREPARERS.

15                  (B) (1) THE COMMISSIONER SHALL NOTIFY THE APPLICABLE LICENSING  
16 AUTHORITY WHEN A LICENSEE IS FOUND IN VIOLATION OF § 3-903 OF THIS  
17 SUBTITLE BY A FINAL ORDER OF A COURT OR AN ADMINISTRATIVE UNIT AND THE  
18 LICENSEE:

19                  (I) HAS NOT PAID ALL PENALTIES ASSESSED UNDER THIS  
20 SUBTITLE FOR A VIOLATION OF § 3-903 OF THIS SUBTITLE; AND

21                  (II) WITHIN 45 DAYS AFTER ISSUANCE OF THE FINAL ORDER OF  
22 A COURT OR ADMINISTRATIVE UNIT, HAS FAILED TO COMPLY WITH THE FINAL  
23 ORDER ISSUED, INCLUDING PAYMENT OF RESTITUTION OWED, IN ACCORDANCE  
24 WITH § 3-907 OF THIS SUBTITLE FOR FAILING TO PROPERLY CLASSIFY AN  
25 EMPLOYEE.

26                  (2) THE COMMISSIONER SHALL NOTIFY THE APPLICABLE LICENSING  
27 AUTHORITY WHEN A LICENSEE IS FOUND IN VIOLATION OF § 3-904 OR § 3-915 OF  
28 THIS SUBTITLE BY A FINAL ORDER OF A COURT OR AN ADMINISTRATIVE UNIT.

29                  (C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, IF A LICENSING  
30 AUTHORITY RECEIVES A NOTIFICATION MADE UNDER SUBSECTION (B) OF THIS

1 SECTION, THE LICENSING AUTHORITY SHALL SUSPEND OR REVOKE THE LICENSE OF  
2 THE LICENSEE.

3 (D) (1) BEFORE SUSPENDING OR REVOKING A LICENSE UNDER  
4 SUBSECTION (C) OF THIS SECTION, A LICENSING AUTHORITY SHALL SEND WRITTEN  
5 NOTICE OF THE PROPOSED ACTION TO THE LICENSEE WHOSE LICENSE IS SUBJECT  
6 TO SUSPENSION OR REVOCATION, INCLUDING NOTICE OF THE LICENSEE'S RIGHT TO  
7 CONTEST THE IDENTITY OF THE LICENSEE WHOSE LICENSE IS TO BE SUSPENDED OR  
8 REVOKED.

9 (2) (I) A LICENSEE MAY APPEAL A DECISION OF A LICENSING  
10 AUTHORITY TO SUSPEND OR REVOKE THE LICENSE IN ACCORDANCE WITH TITLE 10,  
11 SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

12 (II) AT A HEARING INITIATED UNDER SUBPARAGRAPH (I) OF  
13 THIS PARAGRAPH, THE ISSUE SHALL BE LIMITED TO WHETHER THE COMMISSIONER  
14 HAS MISTAKEN THE IDENTITY OF THE LICENSEE WHOSE LICENSE HAS BEEN  
15 SUSPENDED OR REVOKED.

16 (E) (1) A LICENSING AUTHORITY MAY NOT REINSTATE A LICENSE THAT  
17 HAS BEEN SUSPENDED OR REVOKED UNDER SUBSECTION (C) OF THIS SECTION  
18 BASED ON A NOTIFICATION MADE UNDER SUBSECTION (B)(1) OF THIS SECTION  
19 UNTIL THE COMMISSIONER PROVIDES NOTICE TO THE LICENSING AUTHORITY IN  
20 ACCORDANCE WITH PARAGRAPH (2) OF THIS SUBSECTION.

21 (2) THE COMMISSIONER SHALL NOTIFY THE LICENSING AUTHORITY  
22 WITHIN 10 DAYS AFTER THE COMMISSIONER FIRST RECEIVES:

23 (I) A COURT ORDER TO REINSTATE THE LICENSE; OR

24 (II) WITH RESPECT TO A LICENSEE WHO IS SUBJECT TO A FINAL  
25 ORDER OF A COURT OR AN ADMINISTRATIVE UNIT TO PAY PENALTIES OR  
26 RESTITUTION FOR A VIOLATION OF § 3-903 OF THIS SUBTITLE, NOTICE THAT THE  
27 LICENSEE HAS COMPLIED WITH THE ORDER AND PAID ALL PENALTIES AND  
28 RESTITUTION IN FULL.

29 (3) A LICENSING AUTHORITY SHALL IMMEDIATELY REINSTATE ANY  
30 LICENSE SUSPENDED OR REVOKED UNDER SUBSECTION (C) OF THIS SECTION IF:

31 (I) NOTIFIED BY THE COMMISSIONER THAT THE LICENSE  
32 SHOULD BE REINSTATED; AND

33 (II) THE LICENSEE OTHERWISE QUALIFIES FOR THE LICENSE.

1                             (4) A LICENSING AUTHORITY MAY NOT REINSTATE A LICENSE THAT  
2 HAS BEEN SUSPENDED OR REVOKED UNDER SUBSECTION (C) OF THIS SECTION  
3 BASED ON A NOTIFICATION UNDER SUBSECTION (B)(2) OF THIS SECTION UNTIL:

4                             (I) THE INDIVIDUAL WHOSE LICENSE HAS BEEN REVOKED OR  
5 SUSPENDED SUBMITS A WRITTEN REQUEST TO THE LICENSING AUTHORITY;

6                             (II) THE LICENSING AUTHORITY HOLDS A HEARING ON THE  
7 REQUEST;

8                             (III) THE LICENSING AUTHORITY, BY AN AFFIRMATIVE VOTE OF  
9 A MAJORITY OF ITS MEMBERS:

10                             1. DETERMINES THAT THE INDIVIDUAL HAS  
11 DEMONSTRATED BY A PREPONDERANCE OF THE EVIDENCE THAT ANY CONDITIONS  
12 OF THE SUSPENSION OR REVOCATION HAVE BEEN FULFILLED; AND

13                             2. VOTES TO REINSTATE THE LICENSE; AND

14                             (IV) THE INDIVIDUAL PAYS TO THE LICENSING AUTHORITY ANY  
15 REINSTATEMENT FEE SET BY THE LICENSING AUTHORITY.

16                             (F) (1) ADVERSE LICENSING ACTIONS TAKEN UNDER THIS SECTION MAY  
17 BE IMPOSED IN ADDITION TO ANY OTHER ACTIONS TAKEN IN THE ENFORCEMENT OF  
18 THIS SUBTITLE.

19                             (2) ADVERSE LICENSING ACTIONS TAKEN UNDER THIS SECTION  
20 SHALL BE IN EFFECT AGAINST:

21                             (I) ANY SUCCESSOR CORPORATION OR BUSINESS ENTITY THAT:

22                                 1. HAS ONE OR MORE OF THE SAME PRINCIPALS OR  
23 OFFICERS AS THE LICENSEE AGAINST WHOM THE ADVERSE ACTION WAS TAKEN  
24 UNLESS THE PRINCIPAL OR OFFICER DID NOT OR, WITH THE EXERCISE OF  
25 REASONABLE DILIGENCE, COULD NOT HAVE KNOWN OF THE VIOLATION FOR WHICH  
26 THE ADVERSE ACTION WAS TAKEN; AND

27                                 2. IS ENGAGED IN OR INTENDS TO ENGAGE IN THE SAME  
28 OR EQUIVALENT TRADE OR ACTIVITY; AND

29                             (II) ANY INDIVIDUAL LICENSEE THAT WAS AN OFFICER, A  
30 DIRECTOR, A CONTROLLING SHAREHOLDER, A PARTNER, OR A MANAGER OF THE

1 EMPLOYER AGAINST WHOM THE ADVERSE ACTION WAS TAKEN UNLESS THE  
2 OFFICER, DIRECTOR, CONTROLLING SHAREHOLDER, PARTNER, OR MANAGER DID  
3 NOT OR, WITH THE EXERCISE OF REASONABLE DILIGENCE, COULD NOT HAVE KNOWN  
4 OF THE VIOLATION FOR WHICH THE ADVERSE ACTION WAS TAKEN.

5 3–913.

6 (a) Where, after investigation, the Commissioner issues a citation for a knowing  
7 violation of this subtitle or regulations adopted under this subtitle by an employer engaged  
8 in work on a contract with a public body, the Commissioner shall promptly notify the public  
9 body **AND THE GENERAL CONTRACTOR**.

10 (b) (1) On notification, the public body shall withhold from payment due the  
11 employer an amount that is sufficient to:

12 (i) pay restitution to each employee for the full amount of wages  
13 due; and

14 (ii) pay any benefits, taxes, or other contributions that are required  
15 by law to be paid on behalf of the employee.

16 (2) The public body shall release:

17 (i) on issuance of a favorable final order of a court or an  
18 administrative unit, the full amount of the withheld funds; and

19 (ii) on an adverse final order of a court or an administrative unit, the  
20 balance of the withheld funds after all obligations are satisfied under paragraph (1) of this  
21 subsection.

## 22 Article – State Finance and Procurement

23 16–203.

24 (a) A person may be debarred from entering into a contract with the State if the  
25 person, an officer, partner, controlling stockholder or principal of that person, or any other  
26 person substantially involved in that person's contracting activities has:

27 (9) been found to have **REPEATEDLY OR** willfully or knowingly violated  
28 Title 17, Subtitle 2 or Title 18 of this article if:

29 (i) 1. the finding was made by a court; and

30 2. the decision of the court became final; or

4                                   2.     **IF MADE IN A CONTESTED CASE**, the finding was not  
5     overturned on judicial review;

9 (i) 1. the finding was made by a court; and

2. the decision of the court became final; or

14                           2.     **IF MADE IN A CONTESTED CASE**, the finding was not  
15     overturned on judicial review;

16 17-221.

17               (g) If after investigation, the Commissioner determines that a provision of this  
18 subtitle may have been violated and has not issued a stop work order in accordance with  
19 subsection (e) of this section, the Commissioner:

21 [1] (I) issue an order for a hearing within 30 days after completing an  
22 investigation; and

23 [ (2) ] (II) expeditiously conduct the hearing; OR

26 17-224.

27           (a)   (1)   If an employee under a public work contract is paid less than the  
28 prevailing wage rate for that employee's classification for the work performed, the employee  
29 may file a complaint with the Commissioner.

(2) Except as otherwise provided in this section, a complaint filed under this section shall be subject to the provisions of § 17-221 of this subtitle.

1                             (3) If the Commissioner's investigation determines that the employer  
2 violated provisions of this subtitle, the Commissioner shall try to resolve the issue  
3 informally.

4                             (4) (i) If the Commissioner is unable to resolve the matter informally,  
5 the Commissioner [shall] **MAY:**

6                                 1. issue an order for a hearing in accordance with §  
7 17–221 of this subtitle; **OR**

8                                 **2. REFER THE MATTER TO THE ATTORNEY GENERAL TO**  
9 **FILE A CIVIL ACTION IN ACCORDANCE WITH THIS SECTION.**

10                             (ii) If, at the conclusion of a hearing ordered under subparagraph  
11 **[(i)] (I)1** of this paragraph, the Commissioner determines that the employee is entitled to  
12 restitution under this subtitle, the Commissioner shall issue an order in accordance with §  
13 17–221 of this subtitle.

14                             (iii) If an employer of an employee found to be entitled to restitution  
15 under subparagraph (ii) of this paragraph is no longer working under a contract with a  
16 public body, the Commissioner may order that restitution be paid directly by the employer  
17 to the employee within a reasonable period of time, as determined by the Commissioner.

18                             (5) If an employer fails to comply with an order to pay restitution to an  
19 employee under paragraph (4)(iii) of this subsection, the Commissioner or the employee  
20 may bring a civil action to enforce the order in the circuit court in the county where the  
21 employee or employer is located.

22                             (b) (1) If an employee under a public work contract is paid less than the  
23 prevailing wage rate for that employee's classification for the work performed, the  
24 employee, **OR THE COMMISSIONER ON BEHALF OF THE EMPLOYEE**, is entitled to sue to  
25 recover the difference between the prevailing wage rate and the amount received by the  
26 employee.

27                             (2) **AN EMPLOYEE BRINGING SUIT UNDER THIS SUBSECTION SHALL**  
28 **SERVE A COPY OF THE COMPLAINT ON THE COMMISSIONER.**

29                             (3) A determination by the Commissioner that a contractor is required to  
30 make restitution under subsection (a)(4) of this section does not preclude an employee from  
31 filing an action under this subsection.

32                             (c) (1) An action under this section is considered to be a suit for wages.

33                             (2) A judgment in an action under this section shall have the same force  
34 and effect as any other judgment for wages.

1                             (3) An action brought under this section for a violation of this subtitle shall  
2 be filed within 3 years from the date the affected employee knew or should have known of  
3 the violation.

4                             (d) (1) The failure of an employee to protest orally or in writing the payment  
5 of a wage that is less than the prevailing wage rate is not a bar to recovery in an action  
6 under this section.

7                             (2) A contract or other written document in which an employee states that  
8 the employee shall be paid less than the amount required by this subtitle does not bar the  
9 recovery of any remedy required under this subtitle.

10                           (e) (1) Except as provided in paragraph (3) of this subsection, if the court in an  
11 action filed under this section finds that an employer paid an employee less than the  
12 requisite prevailing wage, the court shall award the affected employee the difference  
13 between the wage actually paid and the prevailing wage at the time that the services were  
14 rendered.

15                           (2) (i) Subject to subparagraph (ii) of this paragraph, unpaid fringe  
16 benefit contributions owed for an employee in accordance with this section shall be paid to  
17 the appropriate benefit fund, plan, or program.

18                           (ii) In the absence of an appropriate benefit fund, plan, or program,  
19 the amount owed for fringe benefits for an employee shall be paid directly to the employee.

20                           (3) The court may order the payment of double damages or treble damages  
21 under this section if the court finds that the employer withheld wages or fringe benefits  
22 willfully and knowingly or with deliberate ignorance or reckless disregard of the employer's  
23 obligations under this subtitle.

24                           **(4) IN ADDITION TO ANY RELIEF PROVIDED UNDER PARAGRAPHS (1)**  
25 **THROUGH (3) OF THIS SUBSECTION, THE COMMISSIONER IS ENTITLED TO AN AWARD**  
26 **OF LIQUIDATED DAMAGES IN ACCORDANCE WITH § 17-222 OF THIS SUBTITLE.**

27                           [(4)] (5) In an action under this section, the court shall award a prevailing  
28 plaintiff reasonable counsel fees and costs.

29                           [(5)] (6) If the court finds that an employee submitted a false or  
30 fraudulent claim in an action under this section, the court may order the employee to pay  
31 the employer reasonable counsel fees and costs.

32                           [(6)] (7) The contractor and subcontractor shall be jointly and severally  
33 liable for any violation of the subcontractor's obligations under this section.

1               (f)     (1)     Subject to paragraph (2) of this subsection, an action filed in accordance  
2 with this section may be brought by:

3                      (I)     one or more employees on behalf of:

4                          1.     that employee or group of employees; and [on behalf of]

5                          2.     other employees similarly situated; OR

6                      (II)     THE COMMISSIONER ON BEHALF OF:

7                          1.     ONE OR MORE EMPLOYEES; OR

8                          2.     ONE OR MORE EMPLOYEES AND OTHER EMPLOYEES  
9     SIMILARLY SITUATED.

10                (2)     An employee may not be a party plaintiff to an action brought under  
11 this section unless that employee files written consent with the court in which the action is  
12 brought to become a party to the action.

13                (g)     (1)     A person found to have made a false or fraudulent representation or  
14 omission known to be false or made with deliberate ignorance or reckless disregard for its  
15 truth or falsity regarding a material fact in connection with any prevailing wage payroll  
16 record required by § 17–220 of this subtitle is liable for a civil penalty of \$1,000 for each  
17 falsified record.

18                (2)     The penalty shall be recoverable in a civil action filed in accordance  
19 with this section and paid to the State General Fund.

20                (h)     (1)     An employer may not discharge, threaten, or otherwise retaliate or  
21 discriminate against an employee regarding compensation or other terms and conditions of  
22 employment because that employee or an organization or other person acting on behalf of  
23 that employee:

24                      [(1)]     (I)     reports or makes a complaint under this subtitle or otherwise  
25 asserts the worker's rights under this section; or

26                      [(2)]     (II)     participates in any investigation, hearing, or inquiry held by the  
27 Commissioner under § 17–221 of this subtitle.

28                      (2)     IF A VIOLATION OF THIS SUBSECTION IS FOUND AFTER A HEARING  
29 UNDER § 17–221 OF THIS SUBTITLE, RELIEF SHALL BE AWARDED TO THE EMPLOYEE  
30 AS DESCRIBED IN SUBSECTION (I)(4)(I) AND (II) OF THIS SECTION.

1                   (i)     (1)   A contractor or subcontractor may not retaliate or discriminate against  
2 an employee in violation of this section.

3                   (ii)   If a contractor or subcontractor retaliates or discriminates against an  
4 employee in violation of this section, the affected employee **OR THE COMMISSIONER ON**  
5 **BEHALF OF THE EMPLOYEE** may file an action in any court of competent jurisdiction  
6 within 3 years from the employee's knowledge of the action.

7                   (3)   **AN EMPLOYEE BRINGING SUIT UNDER THIS SUBSECTION SHALL**  
8 **SERVE A COPY OF THE COMPLAINT ON THE COMMISSIONER.**

9                   (4)   If the court finds in favor of the employee in an action brought under  
10 this subsection, the court shall order that the contractor or subcontractor:

11                   (i)   reinstate the employee or provide the employee restitution, as  
12 appropriate;

13                   (ii)   pay the employee an amount equal to three times the amount of  
14 back wages and fringe benefits calculated from the date of the violation; and

15                   (iii)   pay reasonable counsel fees and other costs.

16                   (J)   (1)   **TO ASSIST IN THE ENFORCEMENT OF THIS SUBTITLE, THE**  
17 **COMMISSIONER AND THE ATTORNEY GENERAL, OR THEIR DESIGNEES, SHALL MEET**  
18 **AT LEAST MONTHLY TO SHARE INFORMATION CONCERNING MATTERS ARISING**  
19 **UNDER THIS SUBTITLE, TITLE 8 OF THE GENERAL PROVISIONS ARTICLE, TITLE 3,**  
20 **SUBTITLE 9 OF THE LABOR AND EMPLOYMENT ARTICLE, AND TITLES 16 AND 18 OF**  
21 **THIS ARTICLE, INCLUDING AT A MINIMUM:**

22                   (I)   **THE CONTENT OF COMPLAINTS OR REFERRALS RECEIVED**  
23 **CONCERNING POTENTIAL VIOLATIONS AND ACTIONS TAKEN; AND**

24                   (II)   **THE STATUS OF INVESTIGATIONS INITIATED, INCLUDING**  
25 **ANY DETERMINATION OF MERIT OR RECOVERY SOUGHT OR OBTAINED.**

26                   (2)   **THE COMMISSIONER SHALL REFER TO THE ATTORNEY GENERAL**  
27 **ANY COMPLAINT OR REFERRAL ARISING UNDER THIS SUBTITLE FOR WHICH THE**  
28 **COMMISSIONER HAS:**

29                   (I)   **NOT INITIATED AN INVESTIGATION WITHIN 6 MONTHS**  
30 **AFTER RECEIPT;**

31                   (II)   **DECLINED TO INVESTIGATE; OR**

32                   (III)   **FOUND TO BE WITHOUT MERIT.**

1                   **(3) (I) IN A MATTER REFERRED TO THE ATTORNEY GENERAL**  
2    **UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE ATTORNEY GENERAL MAY**  
3    **EXERCISE THE COMMISSIONER'S INVESTIGATIVE POWERS, INCLUDING SUBPOENA**  
4    **POWERS, PROVIDED UNDER THIS SUBTITLE.**

5                   **(II) IF, AFTER AN INVESTIGATION, THE ATTORNEY GENERAL**  
6    **FINDS A MATTER TO BE MERITORIOUS, THE ATTORNEY GENERAL SHALL PROVIDE**  
7    **NOTICE TO AND CONSULT WITH THE COMMISSIONER, AFTER WHICH THE ATTORNEY**  
8    **GENERAL MAY FILE A CIVIL ACTION IN THE SAME MANNER AS THE COMMISSIONER**  
9    **UNDER THIS SECTION.**

10                  **(4) THE COMMISSIONER AND THE ATTORNEY GENERAL SHALL**  
11   **COOPERATE IN THE INVESTIGATION OF ANY MATTER ARISING UNDER THIS**  
12   **SUBTITLE THAT IS OF UNUSUAL SCOPE OR COMPLEXITY OR INVOLVES A NOVEL OR**  
13   **COMPLEX LEGAL ISSUE.**

14   18–107.

15                  (a) Within 30 days after a complaint is filed, the Commissioner shall investigate  
16   the complaint in accordance with this title.

17                  (b) A written or oral complaint or statement made by an employee under this title  
18   is confidential and may not be disclosed to the employer without the consent of the  
19   employee.

20                  (c) An employer subject to this title shall allow the Commissioner or the  
21   Commissioner's designee access to a work site and payroll records, and allow an  
22   opportunity to interview employees for purposes of enforcing this title.

23                  (d) (1) Within 30 days after completing an investigation, the Commissioner  
24   shall:

25                      (I) issue an order for a hearing; OR

26                      (II) **REFER THE MATTER TO THE ATTORNEY GENERAL TO FILE**  
27   **A CIVIL ACTION IN ACCORDANCE WITH § 18–109 OF THIS TITLE.**

28                  (2) Within 30 days before the hearing, the Commissioner shall serve,  
29   personally or by mail, written notice of the hearing on all interested parties.

30                  (3) The notice shall include:

31                      (i) a statement of facts disclosed in the investigation; and

- (ii) the time and place of the hearing.

(4) In conducting a hearing, the Commissioner may:

  - (i) subpoena witnesses;
  - (ii) administer oaths; and
  - (iii) compel the production of records, books, papers, and other

(1) Within 30 days after the conclusion of the hearing, the Commissioner

  - (i) issue a determination; and
  - (ii) serve, personally or by mail, each interested party with a copy of

ation.

(2) If the Commissioner finds a violation of this title, the Commissioner  
ine the amount of restitution and liquidated damages to be assessed under §  
is title.

(3) On receipt of the determination, the employer shall pay the affected  
e amount due in accordance with the Commissioner's determination.

(1) If an employee was paid less than the wage rate required under this  
ployee, OR THE COMMISSIONER ON BEHALF OF THE EMPLOYEE AND ANY  
PLOYEES SIMILARLY SITUATED, is entitled to sue to recover the amount of  
e between the wage rate required under this title and the amount received by  
e.

(2) A determination by the Commissioner that an employer is required to  
tation does not preclude an employee from filing an action under this section.

**(3) IN AN ACTION BROUGHT BY THE COMMISSIONER, THE  
ONER IS ENTITLED TO RECOVER LIQUIDATED DAMAGES AS PROVIDED IN  
THIS TITLE.**

**(4) AN EMPLOYEE BRINGING SUIT UNDER THIS SECTION SHALL  
PY OF THE COMPLAINT ON THE COMMISSIONER.**

(1) An action under this section is considered to be a suit for wages.

(2) A judgment in an action under this section shall have the same force and effect as any other judgment for wages.

3           (c) The failure of an employee to protest orally or in writing the payment of a  
4 wage that is less than the wage rate required under this title is not a bar to recovery in an  
5 action under this section.

6 18-110.

7           (A) TO ASSIST IN THE ENFORCEMENT OF THIS TITLE, THE COMMISSIONER  
8 AND THE ATTORNEY GENERAL, OR THEIR DESIGNEES, SHALL MEET AT LEAST  
9 MONTHLY TO SHARE INFORMATION CONCERNING MATTERS ARISING UNDER THIS  
10 TITLE, TITLE 8 OF THE GENERAL PROVISIONS ARTICLE, TITLE 3, SUBTITLE 9 OF  
11 THE LABOR AND EMPLOYMENT ARTICLE, AND TITLE 16 AND TITLE 17, SUBTITLE 2  
12 OF THIS ARTICLE, INCLUDING AT A MINIMUM:

17       (B) THE COMMISSIONER SHALL REFER TO THE ATTORNEY GENERAL ANY  
18 MATTER INVOLVING A POSSIBLE VIOLATION UNDER THIS TITLE FOR WHICH THE  
19 COMMISSIONER HAS DECLINED TO INVESTIGATE AND WAS NOT OTHERWISE  
20 REQUIRED TO INVESTIGATE UNDER § 18–107(A) OF THIS TITLE.

21           (c) (1) IN A MATTER REFERRED TO THE ATTORNEY GENERAL UNDER  
22 SUBSECTION (B) OF THIS SECTION, THE ATTORNEY GENERAL MAY EXERCISE THE  
23 COMMISSIONER'S INVESTIGATIVE POWERS, INCLUDING SUBPOENA POWERS,  
24 PROVIDED UNDER THIS TITLE.

25                   **(2) IF, AFTER AN INVESTIGATION, THE ATTORNEY GENERAL FINDS A**  
26 **MATTER TO BE MERITORIOUS, THE ATTORNEY GENERAL SHALL PROVIDE NOTICE**  
27 **TO AND CONSULT WITH THE COMMISSIONER, AFTER WHICH THE ATTORNEY**  
28 **GENERAL MAY FILE AN ACTION IN THE SAME MANNER AS THE COMMISSIONER**  
29 **UNDER § 18–109 OF THIS TITLE.**

30                   **(3) THE COMMISSIONER AND THE ATTORNEY GENERAL SHALL**  
31 **COOPERATE IN THE INVESTIGATION OF ANY MATTER ARISING UNDER THIS TITLE**  
32 **THAT IS OF UNUSUAL SCOPE OR COMPLEXITY OR INVOLVES A NOVEL OR COMPLEX**  
33 **LEGAL ISSUE.**

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   October 1, 2026.