## **PUBLICATION**

## No, Governor Hogan Did Not Veto Maryland's General Contractor Liability for Unpaid Wages Act

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Many of you read with interest our recent article discussing Maryland's new law, the General Contractor Liability for Unpaid Wages Act. As we outlined in the article, that law makes a construction general contractor jointly and severally liable for its subcontractors' failure to pay employees in accordance with Maryland wage and hour laws.

Following the release of that article, a number of employers and interested parties emailed us because they thought that the Governor Larry Hogan had vetoed the Act. **That is not the case**. The Governor neither signed nor vetoed the Act; therefore, it became law by operation of the Maryland Constitution.

However, on May 25, 2018, Governor Hogan did veto a bill entitled "Prevailing Wages – Public Works Contract – Suits by Employees," which would have provided an employee working on a public works contract a private right to sue an employer if the employee is paid less than the prevailing wage rate for that employee's classification. It would have also made contractors and subcontractors jointly and severally liable for prevailing wage violations. We may, however, witness a veto override of this bill in the next year's legislative session. The House voted 88 to 49 and the Senate voted 32 to 13 in favor of the bill. A three-fifths vote of elected membership in each house is necessary to override the Governor's veto. Based on the voting history, this may be an easy override in the next legislative session.

For more information on this matter, please contact Donna Glover or your regular Baker Donelson attorney.