

One of the major pillars of New Deal fiscal policy was an extensive public works program, part of which involved matching grants to assist in the construction of state and local facilities. The General Assembly, anxious for the federal assistance, began to condition its own capital appropriations on attempts to secure such grants, and through its general control over capital construction the board was called upon to consider and approve these applications and to accept the grants made pursuant to them.³⁵ Some of this process was routine and does not seem to have been a particular burden to the board, although it was a new area of responsibility.

One phase of the board's new role was not routine, however, and on at least one occasion it created some controversy. With the enactment of the federal Davis-Bacon Act (requiring contractors on federal public works projects to pay prevailing wage rates) and the regulations adopted pursuant to it, the board was called upon to "predetermine minimum wage rates for each trade and occupation to be engaged in work on the project . . . in accordance with rates prevailing for work of a similar nature in the locality of the project." The board's first attempt at setting wage rates, in November 1937, apparently went smoothly. Upon the advice of the architects it selected, the board predetermined prevailing wage rates for a few dozen trades in connection with projects for five state hospitals and two colleges. If there was any controversy about the rates established, it is not reflected in the minutes.³⁶

A problem arose several months later, however, in connection with two projects for the University of Maryland—one in Baltimore and one in College Park. The construction industry wage rates in the Washington area were apparently lower than those in Baltimore. As a result, the board had previously established one set of rates for the state hospital projects located around Baltimore and a lower set for work at Bowie State College, nearer to Washington. The architects on the University of Maryland projects recommended use of the Baltimore area rates for both projects. A delegation of contractors "representing Open Shop Builders" appeared before the board to protest that recommendation, asking instead that the rates established for the Bowie project be applied to the work at College Park. This, in turn, was opposed by a union representative, who spoke in support of the architects' proposal. The board split—the governor favoring the architects' and union approach, the comptroller and treasurer siding with the nonunion contractors.³⁷

A third area of responsibility prompted by federal impetus came with the enactment of the State Unemployment Compensation Law in a special session of the legislature held in December 1936. The act created a system of unemployment compensation benefits and established criteria for eligibility, a procedure for filing and adjudicating claims, and a method of funding the program through employer contributions to an unemployment compensation fund. The administration of the act, according to section 10, was "placed under the direction and supervision of the Board of Public Works." The board was given complete responsibility for running the program; it was to appoint all the major administrative personnel—examiners, an appeal tribunal, an executive director and his associates—as well as to fix witness fees and to adopt rules and regulations pertaining to nearly every aspect of the program.³⁸

The board retained this authority for only a few months, during the formative period, and that may have been the initial legislative intent. At the next session (1937), the General Assembly created a separate Unemployment Compensation Board and transferred the administrative responsibilities to it. But meanwhile the Board of Public Works got the program started, and on at least two occasions during the spring

35. See, for example, *ibid.*, 14 July, 23 September 1937, 5:39-43, 71. See also 22 *Op. Att'y Gen.* 160 (1937), confirming the board's authority to supervise the expenditure of the federal and state funds.

36. U.S. Code, Title 40, sec. 276a *et seq.*; BPW Minutes, 16 November 1937, 5:110-12.

37. BPW Minutes, 27 July 1938, 5:199.

38. Acts of 1936 (Spec. Sess.), ch. 1.