

## CHAPTER 448

(House Bill 76)

AN ACT to add new Section 7A to Article 78A of the Annotated Code of Maryland (1957 Edition), title "Public Works", subtitle "Board of Public Works", to follow immediately after Section 7 thereof, requiring State construction contracts and subcontracts to contain non-discrimination clauses, and requiring the contractor and sub-contractor to post notices of the non-discrimination provisions, and providing for sanctions and penalties where the provisions are not included or are wilfully breached, and relating generally to non-discrimination because of race, color, creed, or national origins, in the award of State construction contracts and sub-contracts.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That new Section 7A be and it is hereby added to Article 78A of the Annotated Code of Maryland (1957 Edition), title "Public Works", subtitle "Board of Public Works", to follow immediately after Section 7 thereof, and to read as follows:

## 7A.

(a). *No contract for any construction work subject to Section 7 of this Article shall be awarded to any contractor unless the contract contains provisions obligating the contractor not to discriminate in any manner against any employee or applicant for employment because of race, creed, color or national origin and obligating the contractor to include a similar clause in all subcontracts, except subcontracts for standard commercial supplies or raw materials. In addition, the contractor and subcontractor shall agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of the non-discrimination clause.*

(b). *Failure to include such a contract provision renders any contract void ab initio, but any party shall be entitled to the reasonable value of services performed and materials supplied. However, the State may elect to compel the performance of any contract under this section not containing the non-discrimination provisions, but recovery against the proper party shall be limited to the reasonable value of services performed and materials supplied.*

(c). *Where the contractor wilfully fails to comply with the non-discrimination provisions the State may, where the contract is still executory in part, compel continued performances of the contract, but it shall be liable only for the reasonable value of services performed and materials supplied from the date that the breach of contract was discovered or should have been discovered, and any sums previously paid by the State under the contract, shall be set off against the sums to become due as the contract is performed.*

**EXPLANATION:** *Italics indicate new matter added to existing law.*

[Brackets] indicate matter stricken from existing law.

CAPITALS indicate amendments to bill.

~~Strike out~~ indicates matter stricken out of bill.