

~~FULL AMOUNT OF MONEY RETAINED UNDER THIS SUBSECTION, TOGETHER WITH THE INTEREST ACCRUED ON THE MONEY RETAINED.~~

~~(6) THE CONSTRUCTION CONTRACT SHALL INCLUDE CLAUSES COVERING THE PROVISIONS OF PARAGRAPHS (2) THROUGH (5) OF THIS SUBSECTION.~~

~~(C) (1) A CONTRACTOR THAT HAS A PERCENTAGE OF PROGRESS PAYMENTS RETAINED BY A PRIMARY PROCUREMENT UNIT UNDER SUBSECTION (B) OF THIS SECTION, MAY NOT RETAIN A PERCENTAGE OF PAYMENTS DUE A SUBCONTRACTOR THAT EXCEEDS THE PERCENTAGE OF PROGRESS PAYMENTS RETAINED BY THE PRIMARY PROCUREMENT UNIT.~~

~~(2) AFTER RECEIVING MONEY RETAINED BY A PRIMARY PROCUREMENT UNIT UNDER THIS SECTION, THE CONTRACTOR SHALL DISTRIBUTE:~~

~~(I) MONEY RETAINED BY THE CONTRACTOR FROM PAYMENTS DUE A SUBCONTRACTOR; AND~~

~~(II) THE INTEREST ACCRUED ON THE MONEY RETAINED.~~

(2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO PROHIBIT A CONTRACTOR FROM WITHHOLDING ANY AMOUNT IN ADDITION TO RETAINAGE IF THE CONTRACTOR DETERMINES THAT A SUBCONTRACTOR'S PERFORMANCE UNDER THE SUBCONTRACT PROVIDES REASONABLE GROUNDS FOR WITHHOLDING THE ADDITIONAL AMOUNT.

~~(D) (1) A SUBCONTRACTOR THAT HAS A PERCENTAGE OF PROGRESS PAYMENTS RETAINED BY A CONTRACTOR UNDER SUBSECTION (C) OF THIS SECTION, MAY NOT RETAIN A PERCENTAGE OF PAYMENTS DUE ANOTHER A LOWER TIER SUBCONTRACTOR THAT EXCEEDS THE PERCENTAGE OF PROGRESS PAYMENTS RETAINED BY THE CONTRACTOR FROM THE SUBCONTRACTOR.~~

(2) PARAGRAPH (1) OF THIS SUBSECTION MAY NOT BE CONSTRUED TO PROHIBIT A SUBCONTRACTOR FROM WITHHOLDING ANY AMOUNT IN ADDITION TO RETAINAGE IF THE SUBCONTRACTOR DETERMINES THAT A LOWER TIER SUBCONTRACTOR'S PERFORMANCE UNDER THE SUBCONTRACT PROVIDES REASONABLE GROUNDS FOR WITHHOLDING THE ADDITIONAL AMOUNT.

(E) IF RETAINAGE HAS BEEN PLACED IN ESCROW UNDER § 15-108 OF THIS ARTICLE, EACH PAYMENT OF RETAINAGE SHALL INCLUDE A PRO RATA PORTION OF INTEREST EARNED.

(F) THIS SECTION MAY NOT BE CONSTRUED TO LIMIT THE APPLICATION OF THE PROVISIONS OF TITLE 17, SUBTITLE 1 OF THIS ARTICLE.

15-108.

(a) [In this section, "transportation unit" means the Department of Transportation or the Maryland Transportation Authority.] THIS SECTION DOES NOT APPLY TO ANY PROCUREMENT CONTRACT FUNDED WITH TAX EXEMPT FINANCING.