

(4) EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS SUBSECTION, WITHIN 120 DAYS AFTER SATISFACTORY COMPLETION OF A CONTRACT FOR CONSTRUCTION, A PUBLIC BODY SHALL RELEASE ANY RETAINAGE DUE TO THE CONTRACTOR

(5) IF THERE IS A DISPUTE OR CONTRACT CLAIM BETWEEN THE CONTRACTOR AND THE PUBLIC BODY CONCERNING THE SATISFACTORY COMPLETION OF A CONTRACT FOR CONSTRUCTION, THE PUBLIC BODY SHALL RELEASE THE RETAINAGE TO THE CONTRACTOR WITHIN 120 DAYS AFTER THE RESOLUTION OF THE DISPUTE OR CONTRACT CLAIM.

(B) (1) A CONTRACTOR MAY NOT RETAIN A PERCENTAGE OF PAYMENTS DUE A SUBCONTRACTOR THAT EXCEEDS THE PERCENTAGE OF PAYMENTS RETAINED BY THE PUBLIC BODY.

(2) ~~PARAGRAPH (1) PARAGRAPHS (1) AND (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.

(C) (1) A SUBCONTRACTOR MAY NOT RETAIN A PERCENTAGE OF PAYMENTS DUE A LOWER TIER SUBCONTRACTOR THAT EXCEEDS THE PERCENTAGE OF PAYMENTS RETAINED FROM THE SUBCONTRACTOR.

(2) ~~PARAGRAPH (1) PARAGRAPHS (1) AND (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.

~~(D) IF RETAINAGE HAS BEEN PLACED IN ESCROW UNDER § 17-111 OF THIS SUBTITLE, EACH PAYMENT OF RETAINAGE SHALL INCLUDE A PRO RATA PORTION OF INTEREST EARNED.~~

~~(E) THIS SECTION MAY NOT BE CONSTRUED TO LIMIT THE APPLICATION OF THE REMAINING PROVISIONS OF THIS SUBTITLE.~~

~~17-111.~~

~~(A) THIS SECTION DOES NOT APPLY TO ANY PROCUREMENT CONTRACT FUNDED WITH TAX EXEMPT FINANCING.~~

~~(B) (1) SUBJECT TO THE REQUIREMENTS OF THIS SECTION, A CONTRACTOR UNDER A PROCUREMENT CONTRACT THAT A PUBLIC BODY AWARDS FOR CONSTRUCTION IS ENTITLED TO HAVE RETAINAGE UNDER THE PROCUREMENT CONTRACT PLACED IN AN ESCROW ACCOUNT IF THE CONTRACTOR:~~

~~(1) ELECTS THAT PROCEDURE IN THE PROCUREMENT CONTRACT IN THE SPACE PROVIDED FOR THAT ELECTION; AND~~