§ 8. Right to annul contracts. Upon the failure or non-performance of the terms of any of the contracts awarded pursuant to this chapter on the part of the contractors with the state, the commissioner of general services or the state agency may annul the contract in which default is made and the comptroller shall withhold payment from the contractor for all work performed thereunder until the damage to the state shall be ascertained by proper adjudication, and the commissioner of general services or the state agency, may relet the contract for the balance of the uncompleted term of a contract so annulled or abrogated in the manner prescribed in the provisions of this chapter.