

**SB0433/624233/1**

BY: Education, Health, and Environmental Affairs Committee

AMENDMENTS TO SENATE BILL 433

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike in its entirety line 2 and substitute “State Procurement – State Funded Construction Projects – Payment of Employee Health Care Expenses”; strike beginning with “units” in line 4 down through “bid;” in line 10 and substitute “bidders, contractors, and subcontractors to pay certain employee health care expenses; requiring the Department of General Services, by regulation, to establish certain procedures to certify that a bidder, contractor, or subcontractor pays certain employee health care expenses; establishing the methods by which a bidder, contractor, or subcontractor demonstrates the payment of certain employee health care expenses; authorizing a bidder, contractor, or subcontractor to demonstrate the payment of employee health care expenses in a certain manner on or before a certain date;”; strike beginning with “prohibiting” in line 14 down through “amount;” in line 21 and substitute “authorizing a procurement officer to void a contract under certain circumstances;”; in line 23, after “persons;” insert “requiring the Board to collect certain information and report to certain committees of the General Assembly;”; in line 24, after “terms;” insert “providing for the application of this Act;”; strike beginning with “percentage” in line 24 down through “procurement” in line 25 and substitute “procurement and the payment of employee health care expenses”; in line 28, strike “14–701 through 14–705” and substitute “17–801 through 17–804”; and strike beginning with ““Subtitle”” in line 28 down through “Preference”” in line 29 and substitute ““Subtitle 8. Responsible Payment of Employee Health Care Expenses””.

AMENDMENT NO. 2

On page 2, strike beginning with “and” in line 6 down through “Maryland” in line 8; and strike in their entirety lines 12 and 13 and substitute “**SUBTITLE 8. RESPONSIBLE PAYMENT OF EMPLOYEE HEALTH CARE EXPENSES.**”.

(Over)

**SB0433/624233/1 Education, Health, and Environmental Affairs Committee  
Amendments to SB 433  
Page 2 of 6**

On page 2 in line 14, on page 3 in line 29, on page 4 in line 1, and on page 5 in line 32, strike “14-701.”, “14-702.”, “14-703.”, and “14-705.”, respectively, and substitute “17-801.”, “17-802.”, “17-803.”, and “17-804.”, respectively.

AMENDMENT NO. 3

On page 2, in line 26, after “EMPLOYED” insert “BY A RESPONSIBLE BIDDER, CONTRACTOR, OR SUBCONTRACTOR”; in the same line, after “WORK” insert “ON OR AT THE SITE OF A STATE-FUNDED CONSTRUCTION PROJECT”; strike beginning with “IN” in line 26 down through “SUBCONTRACTOR” in line 27; and in line 30, after “EMPLOYEE” insert “, UNLESS THE EMPLOYEE HAS COVERAGE UNDER ANOTHER PLAN”.

On page 3, in line 1, after “(I)” insert “CONTRIBUTIONS MADE ON BEHALF OF AN EMPLOYEE TO PROVIDE CREDIBLE HEALTH CARE COVERAGE IN THE FORM OF ANY GROUP POLICY, CONTRACT, OR PROGRAM THAT IS WRITTEN OR ADMINISTERED BY A DISABILITY INSURER, HEALTH CARE SERVICE PLAN, FRATERNAL BENEFITS SOCIETY, SELF-INSURED EMPLOYER PLAN, OR ANY OTHER ENTITY, IN THIS STATE OR ELSEWHERE, THAT ARRANGES OR PROVIDES MEDICAL, HOSPITAL, AND SURGICAL COVERAGE NOT DESIGNATED TO SUPPLEMENT OTHER PRIVATE OR GOVERNMENTAL PLANS;

(II)”;

in lines 6, 8, 10, and 12, strike “(II)”, “(III)”, “(IV)”, and “(V)”, respectively, and substitute “(III)”, “(IV)”, “(V)”, and “(VI)”, respectively; strike in their entirety lines 21 through 26, inclusive; and in line 27, strike “(H)” and substitute “(G)”.

AMENDMENT NO. 4

On page 3, in line 30, strike “THE” and substitute “(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE”; and strike beginning with “EACH” in line

SB0433/624233/1 Education, Health, and Environmental Affairs Committee  
Amendments to SB 433  
Page 3 of 6

30 down through “4%.” in line 32 and substitute “ALL BIDDERS, CONTRACTORS, AND SUBCONTRACTORS TO PAY EMPLOYEE HEALTH CARE EXPENSES AS REQUIRED BY THIS SUBTITLE.”

**(B) THIS SUBTITLE DOES NOT APPLY TO:**

**(1) A MINORITY BUSINESS ENTERPRISE, AS DEFINED UNDER TITLE 14, SUBTITLE 3 OF THIS ARTICLE; OR**

**(2) A SMALL BUSINESS WITH 30 OR FEWER EMPLOYEES.”**

On page 4, strike in their entirety lines 2 through 23, inclusive; and after line 23, insert:

**“(A) BY REGULATION, THE DEPARTMENT OF GENERAL SERVICES SHALL ESTABLISH PROCEDURES FOR EACH BIDDER, CONTRACTOR, OR SUBCONTRACTOR THAT PERFORMS WORK ON A STATE-FUNDED CONSTRUCTION PROJECT TO CERTIFY THAT THE BIDDER, CONTRACTOR, OR SUBCONTRACTOR PAYS EMPLOYEE HEALTH CARE EXPENSES IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION.**

**(B) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A BIDDER, CONTRACTOR, OR SUBCONTRACTOR SHALL DEMONSTRATE THE PAYMENT OF EMPLOYEE HEALTH CARE EXPENSES BY SUBMITTING CERTIFICATION OR A VALID CONTRACT TO THE DEPARTMENT OF GENERAL SERVICES EVIDENCING THAT, WITH RESPECT TO THE EMPLOYEES WHO WILL WORK ON OR AT THE SITE OF THE PROJECT:**

**(I) THE BIDDER, CONTRACTOR, OR SUBCONTRACTOR PAYS AGGREGATE EMPLOYEE HEALTH CARE EXPENSES OF AT LEAST 5% OF THE**

(Over)

AGGREGATE SOCIAL SECURITY WAGES PAID BY THE BIDDER, CONTRACTOR, OR SUBCONTRACTOR; OR

(II) THE BIDDER, CONTRACTOR, OR SUBCONTRACTOR PAYS 50% OR MORE OF THE REQUIRED PREMIUM NECESSARY TO OBTAIN COVERAGE BY A CREDIBLE HEALTH CARE INSURANCE PLAN.

(2) BEFORE JULY 1, 2020, A BIDDER, CONTRACTOR, OR SUBCONTRACTOR MAY DEMONSTRATE PAYMENT OF EMPLOYEE HEALTH CARE EXPENSES BY SUBMITTING CERTIFICATION OR A VALID CONTRACT TO THE DEPARTMENT OF GENERAL SERVICES EVIDENCING, WITH RESPECT TO THE EMPLOYEES WHO WILL WORK ON OR AT THE SITE OF THE PROJECT, THAT:

(I) UNDER A CONTRACT WITH A CREDIBLE HEALTH CARE INSURANCE PLAN OR THROUGH A COLLECTIVE BARGAINING AGREEMENT, THE BIDDER, CONTRACTOR, OR SUBCONTRACTOR PAYS SOME PORTION OF EMPLOYEE HEALTH CARE EXPENSES; AND

(II) THE BIDDER, CONTRACTOR, OR SUBCONTRACTOR WILL MEET THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION ON RENEWAL OF THE CONTRACT OR COLLECTIVE BARGAINING AGREEMENT.”.

On pages 4 and 5, strike in their entirety the lines beginning with line 32 on page 4 through line 8 on page 5, inclusive.

On page 5, after line 8, insert:

“(E) IF A RESPONSIBLE BIDDER THAT IS AWARDED A CONTRACT TO WORK ON A STATE-FUNDED CONSTRUCTION PROJECT FAILS TO SUBMIT RECORDS

**SB0433/624233/1 Education, Health, and Environmental Affairs Committee  
Amendments to SB 433  
Page 5 of 6**

**REQUIRED UNDER THIS SECTION WITHIN A REASONABLE PERIOD OF TIME, THE  
PROCUREMENT OFFICER MAY VOID THE CONTRACT.**”;

and strike in their entirety lines 9 through 31, inclusive.

**AMENDMENT NO. 5**

On page 6, after line 8, insert:

**“SECTION 2. AND BE IT FURTHER ENACTED, That:**

**(a) The Board of Public Works shall collect the following information for all construction-related, competitive sealed bids for projects for a period of 3 years following the enactment of this Act:**

**(1) whether the bidding company and any subcontractor provides employee health care coverage or family health care coverage on projects that require a prevailing wage;**

**(2) for the year preceding the bid, what the percentage of total Social Security wages was, as well as the total amount spent on employee health care;**

**(3) what percentage of total health insurance coverage costs are paid by the insurance company, versus an employee, what the type and scope of the coverage are, and what the average percentage of the monthly premium paid by the bidder or subcontractor is; and**

**(4) what the average percentage of monthly premium paid by the bidder’s employee or subcontractor’s employee was, and the average per employee deductible for each health care plan offered.**

(Over)

**SB0433/624233/1 Education, Health, and Environmental Affairs Committee**  
**Amendments to SB 433**  
**Page 6 of 6**

(b) The Board of Public Works shall direct any relevant agency to include in any request for construction-related, competitive sealed bids the information required under subsection (a) of this section.

(c) On or before August 1, 2020, 2021, and 2022, the Board of Public Works shall report the information collected under this section for the previous fiscal year to the Senate Education, Health, and Environmental Affairs Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article.”;

and in line 9, strike “2.” and substitute “3.”.