

HOUSE BILL 414

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HB 761/00 - ECM

2001 Regular Session
1r1761

By: **Delegates Marriott and Grosfeld**

Introduced and read first time: February 1, 2001

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Procurement - State Contractors - Living Wage to Employees**

3 FOR the purpose of requiring a "living wage" clause in certain State procurement
4 contracts; requiring certain contractors to include a "living wage" clause in
5 certain subcontracts; defining "living wage"; requiring the Board of Public
6 Works to determine the living wage annually; providing for the application of
7 this Act; and generally relating to wages paid under certain State procurement
8 contracts.

9 BY adding to

10 Article - State Finance and Procurement

11 Section 13-219.1

12 Annotated Code of Maryland

13 (1995 Replacement Volume and 2000 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - State Finance and Procurement**

17 13-219.1.

18 (A) IN THIS SECTION, "LIVING WAGE" MEANS THE MINIMUM HOURLY WAGE,
19 BASED ON A 40-HOUR WORKWEEK, REQUIRED TO EXCEED THE MOST RECENT U.S.
20 DEPARTMENT OF HEALTH AND HUMAN SERVICES POVERTY GUIDELINES FOR A
21 FAMILY OF FOUR.

22 (B) THIS SECTION DOES NOT APPLY TO CONTRACTS FOR PROCUREMENT OF
23 SUPPLIES.

24 (C) THIS SECTION DOES NOT LIMIT:

25 (1) THE HOURS AN EMPLOYEE MAY WORK IN A PARTICULAR PERIOD OF
26 TIME; OR

1 (2) THE RIGHT OF A CONTRACTOR TO PAY AN EMPLOYEE MORE THAN
2 THE LIVING WAGE.

3 (D) EACH PROCUREMENT CONTRACT THAT IS SUBJECT TO THIS SECTION
4 SHALL INCLUDE A LIVING WAGE CLAUSE AS PROVIDED IN THIS SECTION.

5 (E) THE LIVING WAGE CLAUSE SHALL:

6 (1) REQUIRE THE CONTRACTOR TO PAY ALL EMPLOYEES WORKING
7 UNDER THE CONTRACT AT LEAST A LIVING WAGE AS DETERMINED BY THE BOARD;

8 (2) REQUIRE THE CONTRACTOR TO INCLUDE A SIMILAR CLAUSE IN
9 EVERY SUBCONTRACT EXCEPT A SUBCONTRACT FOR SUPPLIES; AND

10 (3) PROVIDE THAT IF TITLE 17, SUBTITLE 2 (PREVAILING WAGE RATES --
11 PUBLIC WORK CONTRACTS) OF THIS ARTICLE APPLIES TO A PROCUREMENT
12 CONTRACT AND THE PREVAILING WAGE RATE DETERMINED UNDER TITLE 17,
13 SUBTITLE 2 OF THIS ARTICLE EXCEEDS THE LIVING WAGE, THE PREVAILING WAGE
14 RATE SHALL APPLY.

15 (F) THE BOARD SHALL DETERMINE THE LIVING WAGE BY REGULATION NO
16 LATER THAN OCTOBER 1 OF EACH YEAR.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act applies only to
18 procurement contracts, as defined in § 11-101 of the State Finance and Procurement
19 Article, for which an invitation for bids or request for proposals is issued on or after
20 October 1, 2001.

21 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
22 October 1, 2001.