

SENATE BILL 871

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2004 Regular Session
4r3102
CF HB 1290

By: **Senator Conway**

Introduced and read first time: February 23, 2004

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Self-Sufficiency Standard - Establishment**

3 FOR the purpose of requiring the Secretary of Budget and Management to consider a
4 certain self-sufficiency standard when setting or amending a pay rate;
5 requiring that a State employee whose pay rate is less than the self-sufficiency
6 standard receive a certain pay increase; requiring the Department of Budget
7 and Management to contract with a private consultant to develop a
8 self-sufficiency standard on or before a certain date; requiring the Department
9 to distribute the standard to units of State government; requiring units of State
10 government to use the standard for a certain purpose; requiring certain business
11 entities receiving a certain tax credit to pay its employees a certain wage;
12 requiring certain business entities doing business with the State to pay its
13 employees a certain wage; defining a certain term; and generally relating to the
14 self-sufficiency standard.

15 BY repealing and reenacting, with amendments,
16 Article - State Personnel and Pensions
17 Section 8-104(b)
18 Annotated Code of Maryland
19 (1997 Replacement Volume and 2003 Supplement)

20 BY adding to
21 Article - Labor and Employment
22 Section 3-413.1
23 Annotated Code of Maryland
24 (1999 Replacement Volume and 2003 Supplement)

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

1 **Article - State Personnel and Pensions**

2 8-104.

3 (b) (1) In setting or amending a pay rate, the Secretary shall consider:

4 [(1)] (I) the prevailing pay rates for comparable services in private and
5 public employment;

6 [(2)] (II) experience;

7 [(3)] (III) living costs;

8 [(4)] (IV) benefits; [and

9 (5)] (V) the financial condition and policies of this State; AND

10 (VI) THE SELF-SUFFICIENCY STANDARD DETERMINED UNDER §
11 3-413.1 OF THE LABOR AND EMPLOYMENT ARTICLE.12 (2) AN EMPLOYEE WHOSE PAY RATE IS LESS THAN THE
13 SELF-SUFFICIENCY STANDARD DETERMINED UNDER § 3-413.1 OF THE LABOR AND
14 EMPLOYMENT ARTICLE SHALL RECEIVE AN INCREASE IN THE EMPLOYEE'S PAY RATE
15 AT A PERCENTAGE THAT IS AT LEAST TWICE THE PERCENTAGE INCREASE FOR
16 EMPLOYEES WHOSE PAY RATE IS AT LEAST EQUAL TO THE SELF-SUFFICIENCY
17 STANDARD.18 **Article - Labor and Employment**

19 3-413.1.

20 (A) IN THIS SECTION, "SELF-SUFFICIENCY STANDARD" MEANS A
21 CALCULATION OF THE INCOME AN EMPLOYED ADULT REQUIRES TO MEET THAT
22 INDIVIDUAL'S FAMILY'S NEEDS, INCLUDING:

23 (1) HOUSING;

24 (2) FOOD;

25 (3) DEPENDENT CARE;

26 (4) TRANSPORTATION; AND

27 (5) MEDICAL COSTS.

28 (B) (1) THE DEPARTMENT OF BUDGET AND MANAGEMENT SHALL
29 CONTRACT WITH A PRIVATE CONSULTANT TO DEVELOP A SELF-SUFFICIENCY
30 STANDARD ON OR BEFORE JANUARY 1, 2005.

31 (2) THE SELF-SUFFICIENCY STANDARD SHALL TAKE INTO ACCOUNT:

- 1 (I) GEOGRAPHICAL VARIATIONS IN COSTS;
2 (II) THE AGE AND NUMBER OF CHILDREN IN A FAMILY; AND
3 (III) ANY STATE OR FEDERAL PUBLIC ASSISTANCE BENEFITS
4 RECEIVED BY A FAMILY.

5 (3) THE SELF-SUFFICIENCY STANDARD SHALL BE USED TO DETERMINE
6 EMPLOYED ADULTS WHO ARE "AT-RISK WORKERS" AND "UNDER-EMPLOYED
7 WORKERS".

8 (C) (1) ON OR BEFORE MARCH 1, 2005, THE DEPARTMENT OF BUDGET AND
9 MANAGEMENT SHALL DISTRIBUTE THE SELF-SUFFICIENCY STANDARD TO UNITS OF
10 STATE GOVERNMENT THAT COUNSEL INDIVIDUALS SEEKING:

- 11 (I) EDUCATION;
12 (II) TRAINING; OR
13 (III) EMPLOYMENT.

14 (2) UNITS OF STATE GOVERNMENT SHALL USE THE SELF-SUFFICIENCY
15 STANDARD TO ASSIST AN INDIVIDUAL IN:

- 16 (I) ESTABLISHING PERSONAL FINANCIAL GOALS; AND
17 (II) ESTIMATING THE AMOUNT OF INCOME NEEDED TO SUPPORT
18 THE INDIVIDUAL'S FAMILY.

19 (D) A BUSINESS ENTITY RECEIVING A TAX CREDIT UNDER ARTICLE 83A, §
20 5-1102 OF THE CODE, THAT IS NOT COVERED BY THE PREVAILING WAGE LAW, SHALL
21 PAY ITS EMPLOYEES AT A WAGE THAT IS AT LEAST AN AMOUNT ABOVE THE
22 MINIMUM WAGE COMPARABLE TO THE PERCENTAGE INCREASE FOR STATE
23 EMPLOYEES EARNING LESS THAN THE SELF-SUFFICIENCY STANDARD UNDER §
24 8-104(B)(2) OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

25 (E) A BUSINESS ENTITY DOING BUSINESS WITH THE STATE, THAT IS NOT
26 COVERED BY THE PREVAILING WAGE LAW, SHALL PAY ITS EMPLOYEES AT A WAGE
27 THAT IS AT LEAST AN AMOUNT ABOVE THE MINIMUM WAGE COMPARABLE TO THE
28 PERCENTAGE INCREASE FOR STATE EMPLOYEES EARNING LESS THAN THE
29 SELF-SUFFICIENCY STANDARD UNDER § 8-104(B)(2) OF THE STATE PERSONNEL AND
30 PENSIONS ARTICLE.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 July 1, 2004.