

**Department of Legislative Services**  
 Maryland General Assembly  
 2004 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 250

(Senator Grosfeld, *et al.*)

Finance

Economic Matters

**Labor and Employment - Equal Pay Commission**

This bill establishes an Equal Pay Commission for a period of two years, which is to be staffed by the Department of Labor, Licensing, and Regulation. The commission will study wage disparities and present preliminary and final reports to the Governor and the General Assembly leadership by September 30, 2005 and 2006, respectively.

The bill terminates September 30, 2006.

**Fiscal Summary**

**State Effect:** General fund expenditures would increase by \$19,100 in FY 2005. Out-year expenditures reflect annualization and final administrative costs. Potential increase in general fund fine revenues.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	19,100	36,600	6,600	0	0
Net Effect	(\$19,100)	(\$36,600)	(\$6,600)	\$0	\$0

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** No impact is anticipated.

## Analysis

**Current Law:** The State has no Equal Pay Commission.

**Background:** The Division of Labor and Industry indicates that it has not received any complaints relative to the Equal Pay for Equal Work law in the past 10 years. When the Employment Standards Service was fully staffed prior to 1991, occasional complaints were received and investigated. Valid complaints were resolved by the employer voluntarily increasing the female employee's pay to equal the male employee's pay. The division can find no complaint that resulted in civil action.

**State Fiscal Effect:** The division estimates the commission will meet 10 times annually for a period of two years. One part-time contractual Administrative Officer II will be required to staff the commission in fiscal 2005 at a cost of \$15,980. Travel reimbursement for fiscal 2005 is estimated at \$3,150. Fiscal 2006 costs reflect annualization, and fiscal 2007 reflects closeout costs for the commission.

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### Additional Information

**Prior Introductions:** A similar bill was introduced as SB 250 in the 2003 session. It received an unfavorable report from the Senate Finance Committee.

**Cross File:** None.

**Information Source(s):** Department of Labor, Licensing, and Regulation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 12, 2004  
ncs/ljm Revised - Senate Third Reader - March 25, 2004

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