

# SENATE BILL 94

P5

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CF HB 42

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By: **The President (By Request – Department of Legislative Services)**

Introduced and read first time: January 11, 2019

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **State Government – Consumer Price Index – Revised Statutory References**

3 FOR the purpose of altering a certain Consumer Price Index used by certain  
4 mediator–arbitrator panels to consider the annual increase or decrease in consumer  
5 prices in determining the more reasonable offer presented in negotiations on certain  
6 collective bargaining agreements; altering a certain Consumer Price Index used by  
7 the Montgomery Commission to adjust a certain annual cost estimation; altering a  
8 certain Consumer Price Index used to determine the limit increase on the copayment  
9 or coinsurance requirement on a certain covered specialty drug; altering a Consumer  
10 Price Index used by the Department of Commerce to report to the State Workers’  
11 Compensation Commission to determine a certain rate of change for certain covered  
12 employees by a certain date; altering a certain Consumer Price Index that the  
13 Maryland–National Capital Park and Planning Commission uses to adjust the  
14 estimates of certain yearly costs; altering the Consumer Price Index used by a  
15 mediator–arbitrator to consider the annual increase or decrease in consumer prices  
16 in resolving certain items; altering a certain Consumer Price Index used by the  
17 Department of Housing and Community Development to adjust a certain maximum  
18 fee; altering a certain Consumer Price Index used by the Commissioner of Labor and  
19 Industry to adjust certain wage rates for certain employees; and generally relating  
20 to revised statutory references for the Consumer Price Index for the  
21 Washington–Baltimore Metropolitan Area.

22 BY repealing and reenacting, without amendments,  
23 Article – Housing and Community Development  
24 Section 16–310(a), (b), and (d)(1) and (2)(vi)  
25 Annotated Code of Maryland  
26 (2006 Volume and 2018 Supplement)

27 BY repealing and reenacting, with amendments,  
28 Article – Housing and Community Development  
29 Section 16–310(d)(2)(vii) and 16–402(a)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 Annotated Code of Maryland  
2 (2006 Volume and 2018 Supplement)
- 3 BY repealing and reenacting, with amendments,  
4 Article – Insurance  
5 Section 15–847(c)(2)  
6 Annotated Code of Maryland  
7 (2017 Replacement Volume and 2018 Supplement)
- 8 BY repealing and reenacting, without amendments,  
9 Article – Labor and Employment  
10 Section 9–101(a) and (d), 9–638(a), and 9–638.1(a) through (c)  
11 Annotated Code of Maryland  
12 (2016 Replacement Volume and 2018 Supplement)
- 13 BY repealing and reenacting, with amendments,  
14 Article – Labor and Employment  
15 Section 9–638(b) and 9–638.1(d)  
16 Annotated Code of Maryland  
17 (2016 Replacement Volume and 2018 Supplement)
- 18 BY repealing and reenacting, without amendments,  
19 Article – Land Use  
20 Section 14–101(a) and (b), 16–209(a) through (c) and (e)(2)(i)6., and 16–402(a)  
21 Annotated Code of Maryland  
22 (2012 Volume and 2018 Supplement)
- 23 BY repealing and reenacting, with amendments,  
24 Article – Land Use  
25 Section 16–209(e)(2)(i)7. and 16–402(b)  
26 Annotated Code of Maryland  
27 (2012 Volume and 2018 Supplement)
- 28 BY repealing and reenacting, without amendments,  
29 Article – Public Utilities  
30 Section 18–208(e)(1)  
31 Annotated Code of Maryland  
32 (2010 Replacement Volume and 2018 Supplement)
- 33 BY repealing and reenacting, with amendments,  
34 Article – Public Utilities  
35 Section 18–208(e)(2)  
36 Annotated Code of Maryland  
37 (2010 Replacement Volume and 2018 Supplement)
- 38 BY repealing and reenacting, without amendments,  
39 Article – Real Property

1 Section 11–135(c)(1) and 11B–106(c)(1)  
2 Annotated Code of Maryland  
3 (2015 Replacement Volume and 2018 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article – Real Property  
6 Section 11–135(c)(4)(i) and 11B–106(c)(4)(i)  
7 Annotated Code of Maryland  
8 (2015 Replacement Volume and 2018 Supplement)

9 BY repealing and reenacting, without amendments,  
10 Article – State Finance and Procurement  
11 Section 18–101(a) and (b) and 18–103(a)  
12 Annotated Code of Maryland  
13 (2015 Replacement Volume and 2018 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – State Finance and Procurement  
16 Section 18–103(b)(1)  
17 Annotated Code of Maryland  
18 (2015 Replacement Volume and 2018 Supplement)

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

21 **Article – Housing and Community Development**

22 16–310.

23 (a) (1) If the parties have not reached an agreement on or before December 1  
24 on a collective bargaining agreement that would become effective the following July 1, the  
25 parties shall jointly appoint a mediator–arbitrator panel.

26 (2) If the parties are unable to agree on a jointly appointed  
27 mediator–arbitrator as required under § 16–311 of this subtitle, the labor relations  
28 administrator shall name the jointly appointed mediator–arbitrator on or before December  
29 7.

30 (3) Notwithstanding appointment of the mediator–arbitrator panel, this  
31 subsection does not require beginning mediation–arbitration before the date set forth in  
32 subsection (b)(2) of this section.

33 (b) (1) During the collective bargaining:

34 (i) either party may declare an impasse and request the services of  
35 the mediator–arbitrator panel; or

1 (ii) the parties may jointly request the services of a  
2 mediator–arbitrator panel before an impasse is declared.

3 (2) If the mediator–arbitrator panel finds in the discretion of the panel that  
4 the parties are at a bona fide impasse, or on February 1, if they still have not agreed on a  
5 contract, whichever happens first, the mediator–arbitrator panel shall require the parties  
6 to submit:

7 (i) a joint memorandum listing all items to which the parties have  
8 previously agreed; and

9 (ii) a separate memorandum of the party’s last final offer presented  
10 in negotiations on all items to which the parties have not previously agreed.

11 (d) (1) On or before February 15, the mediator–arbitrator panel shall issue a  
12 report choosing the final offer that the mediator–arbitrator panel determines to be more  
13 reasonable when viewed as a whole.

14 (2) Subject to paragraph (3) of this subsection, in determining the more  
15 reasonable offer, the mediator–arbitrator panel may consider only:

16 (vi) the effects of any economic adjustments on the standard of public  
17 services normally provided by the employer; and

18 (vii) the annual increase or decrease in consumer prices for all items  
19 as shown in the most recent Consumer Price Index – Wage Earners and Clerical Workers  
20 (“CPI–W”) for the [Washington–Baltimore] **WASHINGTON** Metropolitan Area.

21 16–402.

22 (a) (1) This subtitle applies to a service contract that:

23 (i) is solicited by the Montgomery Commission as a management  
24 plan intended to adversely affect Montgomery Commission employees represented by a  
25 certified representative; and

26 (ii) in the estimation of the Montgomery Commission procurement  
27 officer, will exceed an annual cost of \$75,000 as calculated under paragraph (2) of this  
28 subsection.

29 (2) The Montgomery Commission shall adjust the annual cost estimation  
30 described in paragraph (1)(ii) of this subsection to the nearest \$100 every 2 years, beginning  
31 on October 1, 2008, to reflect any aggregate increase in the Consumer Price Index for all  
32 urban consumers, for the [Washington–Baltimore metropolitan area] **WASHINGTON**  
33 **METROPOLITAN AREA**, or any successor index, for the previous 2 years.

1 15-847.

2 (c) (2) On July 1 of each year, the limit on the copayment or coinsurance  
3 requirement on a covered specialty drug shall increase by a percentage equal to the  
4 percentage change from the preceding year in the medical care component of the March  
5 Consumer Price Index for All Urban Consumers, [Washington-Baltimore] **WASHINGTON**  
6 **METROPOLITAN AREA**, from the U.S. Department of Labor, Bureau of Labor Statistics.

7 **Article – Labor and Employment**

8 9-101.

9 (a) In this title the following words have the meanings indicated.

10 (d) “Commission” means the State Workers’ Compensation Commission.

11 9-638.

12 (a) (1) A covered employee under this section includes an individual who:

13 (i) is entitled to compensation for claims arising from events  
14 occurring after January 1, 1988; or

15 (ii) 1. is entitled to compensation from the Chesapeake  
16 Employers’ Insurance Company, as successor to the Injured Workers’ Insurance Fund, for  
17 claims arising from events occurring on or before January 1, 1988; and

18 2. was not an employee of a county or municipal corporation  
19 when the claim was filed.

20 (2) Compensation paid to a covered employee under this Part V of this  
21 subtitle is subject to an annual cost of living adjustment.

22 (b) On or before June 30 of each year, the Department of Commerce shall  
23 determine and report to the Commission the rate of change in the Consumer Price Index in  
24 the preceding calendar year, using as the Consumer Price Index the lower of:

25 (1) the Consumer Price Index (all urban consumers, all item index)  
26 published by the United States Department of Labor for the [Washington, D.C.–Baltimore  
27 CMSA] **WASHINGTON METROPOLITAN AREA**; or

28 (2) the United States city average consumer price index (all urban  
29 consumers, all item index).

30 9-638.1.

1 (a) This section applies to:

2 (1) a nongovernmental unit that employs at least one covered employee;

3 (2) a county; and

4 (3) a municipal corporation.

5 (b) A covered employee under this section means an individual who:

6 (1) is entitled to compensation for claims arising from events occurring on  
7 or before January 1, 1988; and

8 (2) filed the claims for compensation paid by a nongovernmental unit, a  
9 county, or a municipal corporation.

10 (c) Compensation paid to a covered employee under this Part V of this subtitle is  
11 subject to an annual cost of living adjustment if the employer, county, or municipal  
12 corporation chooses to provide an adjustment.

13 (d) On or before June 30 of each year, the Department of Commerce shall  
14 determine and report to the Commission the rate of change in the Consumer Price Index in  
15 the preceding calendar year, using as the Consumer Price Index the lower of:

16 (1) the Consumer Price Index (all urban consumers, all item index)  
17 published by the United States Department of Labor for the [Washington, D.C.–Baltimore  
18 CMSA] **WASHINGTON METROPOLITAN AREA**; or

19 (2) the United States city average consumer price index (all urban  
20 consumers, all item index).

## 21 **Article – Land Use**

22 14–101.

23 (a) In this division the following words have the meanings indicated.

24 (b) “Commission” means the Maryland–National Capital Park and Planning  
25 Commission.

26 16–209.

27 (a) (1) If the parties have not reached an agreement on or before December 1  
28 on a collective bargaining agreement that would become effective the following July 1, the  
29 parties jointly shall appoint a mediator–arbitrator.

30 (2) If the parties are unable to agree on a mediator–arbitrator, the labor

1 relations administrator shall appoint the mediator–arbitrator on or before December 7.

2 (3) Notwithstanding appointment of the mediator–arbitrator, this section  
3 does not require mediation–arbitration to begin before the date set forth in subsection (c)  
4 of this section.

5 (b) During the course of the collective bargaining:

6 (1) either party may declare an impasse and request the services of the  
7 mediator–arbitrator; or

8 (2) the parties jointly may request the services of a mediator–arbitrator  
9 before an impasse is declared.

10 (c) If the mediator–arbitrator finds in the mediator–arbitrator’s sole discretion  
11 that the parties are at a bona fide impasse or on February 1, whichever occurs earlier, the  
12 mediator–arbitrator shall direct the parties to submit:

13 (1) a joint memorandum listing all items to which the parties previously  
14 agreed; and

15 (2) a separate memorandum of each party’s last final offer presented in  
16 negotiations on all items to which the parties previously did not agree.

17 (e) (2) In determining which offer is more reasonable, the  
18 mediator–arbitrator:

19 (i) may consider only:

20 6. the effects of any economic adjustments on the standard of  
21 public services normally provided by the Commission; and

22 7. the annual increase or decrease in consumer prices for all  
23 items as reflected in the most recent Consumer Price Index – Urban Wage Earners and  
24 Clerical Workers (“CPI–W”) for the [Washington–Baltimore metropolitan area]  
25 **WASHINGTON METROPOLITAN AREA**; and

26 16–402.

27 (a) This subtitle applies to a service contract that:

28 (1) the Commission solicits as a management plan intended to adversely  
29 affect employees of the Commission represented by a certified representative; and

30 (2) a procurement officer of the Commission estimates will exceed a yearly  
31 cost of \$75,000 as calculated under subsection (b) of this section.

1 (b) The Commission shall adjust the estimate of the yearly cost described in  
 2 subsection (a)(2) of this section to the nearest \$100 every 2 years to reflect any aggregate  
 3 increase in the Consumer Price Index for all urban consumers, for the  
 4 [Washington–Baltimore metropolitan area] **WASHINGTON METROPOLITAN AREA**, or  
 5 any successor index, for the previous 2 years.

## 6 Article – Public Utilities

7 18–208.

8 (e) (1) On or before February 15, the mediator–arbitrator shall issue a report  
 9 that resolves all items that the parties have not agreed on previously.

10 (2) In resolving the items not previously agreed on, the  
 11 mediator–arbitrator may consider the following factors:

12 (i) past collective bargaining contracts between the parties,  
 13 including the past bargaining history that led to the agreement or the pre–collective  
 14 bargaining history of employee wages, hours, benefits, and other working conditions;

15 (ii) a comparison of wages, hours, benefits, and conditions of  
 16 employment of similar employees of other public employers in the State and the  
 17 Washington, D.C. metropolitan area;

18 (iii) a comparison of wages, hours, benefits, and conditions of  
 19 employment of similar employees of private employers in Montgomery County and Prince  
 20 George’s County;

21 (iv) the public interest and welfare;

22 (v) the ability of the employer to finance any economic adjustments  
 23 required under the proposed agreement;

24 (vi) the effect of any economic adjustments on the standard of public  
 25 services normally provided by the employer; and

26 (vii) the annual increase or decrease in consumer prices for all items  
 27 as reflected in the most recent Consumer Price Index – Urban Wage Earners and Clerical  
 28 Workers (“CPI–W”) for the [Washington–Baltimore metropolitan area] **WASHINGTON**  
 29 **METROPOLITAN AREA**.

## 30 Article – Real Property

31 11–135.

32 (c) (1) Except as provided in paragraph (4) of this subsection, the council of  
 33 unit owners, within 20 days after a written request by a unit owner and receipt of a



1 reasonable fee therefor, not to exceed the cost to the council of unit owners, if any, up to a  
2 maximum of \$250, shall furnish a certificate containing the information necessary to enable  
3 the unit owner to comply with subsection (a) of this section. A unit owner providing a  
4 certificate under subsection (a) of this section is not liable to the purchaser for any  
5 erroneous information provided by the council of unit owners and included in the certificate.

6 (4) (i) The Department of Housing and Community Development shall  
7 adjust the maximum fee authorized under paragraph (1) of this subsection every 2 years,  
8 beginning October 1, 2018, to reflect any aggregate increase in the Consumer Price Index  
9 for All Urban Consumers (CPI-U) for [Washington-Baltimore] **THE WASHINGTON**  
10 **METROPOLITAN AREA**, or any successor index, for the previous 2 years.

11 11B-106.

12 (c) (1) Except as provided in paragraph (4) of this subsection, within 20 days  
13 after a written request by a lot owner other than a declarant and receipt of a reasonable  
14 fee, not to exceed the cost to the homeowners association, if any, up to a maximum of \$250,  
15 the homeowners association, the management agent of the homeowners association, or any  
16 other authorized officer or agent of the homeowners association, shall provide the  
17 information listed under subsection (b) of this section.

18 (4) (i) The Department of Housing and Community Development shall  
19 adjust the maximum fee authorized under paragraph (1) of this subsection every 2 years,  
20 beginning on October 1, 2018, to reflect any aggregate increase in the Consumer Price Index  
21 for All Urban Consumers (CPI-U) for [Washington-Baltimore] **THE WASHINGTON**  
22 **METROPOLITAN AREA**, or any successor index, for the previous 2 years.

## 23 **Article – State Finance and Procurement**

24 18-101.

25 (a) In this title the following words have the meanings indicated.

26 (b) “Commissioner” means the Commissioner of Labor and Industry.

27 18-103.

28 (a) Except as provided in subsection (c) of this section, an employer subject to this  
29 title shall pay each employee covered under this title:

30 (1) at least \$11.30 per hour, if State contract services valued at 50% or  
31 more of the total value of the contract are performed in the Tier 1 area; or

32 (2) at least \$8.50 per hour, if State contract services valued at 50% or more  
33 of the total value of the contract are performed in the Tier 2 area.

34 (b) (1) Not later than 90 days after the start of each fiscal year, the

1 Commissioner shall adjust the wage rates required under subsection (a) of this section by  
2 the annual average increase or decrease, if any, in the Consumer Price Index for all urban  
3 consumers for the [Washington–Baltimore metropolitan area] **WASHINGTON**  
4 **METROPOLITAN AREA**, or any successor index, for the previous calendar year.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2019.