

HOUSE BILL 1143

K3

7lr1037

By: **Delegates Lierman, Barkley, Brooks, Clippinger, Davis, Fennell, Glenn, Valderrama, and Waldstreicher**

Introduced and read first time: February 9, 2017

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 14, 2017

CHAPTER _____

1 AN ACT concerning

2 **Maryland Pay Stub Transparency Act of 2017**

3 FOR the purpose of altering the information that employers are required to give to
4 employees within a certain time of hiring ~~and for each pay period~~; requiring
5 employers to provide employees with an explanation of how certain wages were
6 calculated under certain circumstances; ~~authorizing certain employees to recover~~
7 ~~certain liquidated damages under certain circumstances~~; and generally relating to
8 employer requirements concerning ~~wage records, wages, and paydays~~ notice and
9 explanation of wages.

10 BY repealing and reenacting, with amendments,
11 Article – Labor and Employment
12 Section 3-504 ~~and 3-507.2~~
13 Annotated Code of Maryland
14 (2016 Replacement Volume)

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

17 **Article – Labor and Employment**

18 3-504.

19 (a) An employer shall give to each employee:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (1) [at the time of hiring] **WITHIN 30 DAYS AFTER THE FIRST DATE OF**
 2 **EMPLOYMENT, WRITTEN** notice of:

3 (i) the rate of pay of the employee;

4 **(II) WHETHER THE EMPLOYEE IS PAID BY:**

5 1. THE HOUR;

6 2. THE SHIFT;

7 3. THE DAY;

8 4. THE WEEK;

9 5. SALARY;

10 6. THE PIECE;

11 7. COMMISSION; OR

12 8. ANY OTHER BASIS OF PAY;

13 **(III) WHETHER THE EMPLOYEE'S WAGES ~~CONSIST OF ANY~~**
 14 **~~REPORTED TIPS AND ANY ADDITIONAL PAY REQUIRED TO BE PAID AS PART OF THE~~**
 15 **~~EMPLOYEE'S WAGES~~ WOULD BE SUBJECT TO A TIP CREDIT UNDER:**

16 1. § 3-419 OF THIS TITLE;

17 2. THE FEDERAL ACT; OR

18 3. AN APPLICABLE LOCAL LAW;

19 **(IV) ALLOWANCES CLAIMED AS PART OF THE EMPLOYEE'S WAGE,**
 20 **INCLUDING:**

21 1. ~~TIP ALLOWANCES;~~

22 ~~2.~~ MEAL ALLOWANCES; OR

23 ~~3.~~ 2. LODGING ALLOWANCES;

24 [(ii) ~~(iv)~~ (v) the regular paydays that the employer sets; [and

1 (iii)] ~~(V)~~ (VI) leave benefits;

2 ~~(VI)~~ (VII) THE NAME OF THE EMPLOYER;

3 ~~(VII)~~ (VIII) THE PHYSICAL ADDRESS OF THE EMPLOYER'S MAIN
4 OFFICE OR PRINCIPAL PLACE OF BUSINESS AND, IF DIFFERENT, THE MAILING
5 ADDRESS OF THE EMPLOYER; AND

6 ~~(VIII)~~ (IX) THE TELEPHONE NUMBER OF THE EMPLOYER;

7 (2) for each pay period~~;~~¹;

8 ~~(I)~~ a statement of the gross earnings of the employee and deductions
9 from those gross earnings; ~~and~~¹

10 ~~(II) THE DATES OF WORK COVERED BY THE PAYMENT OF WAGES~~
11 ~~FOR EACH PAY PERIOD;~~

12 ~~(III) THE NAME OF THE EMPLOYEE;~~

13 ~~(IV) THE NAME OF THE EMPLOYER;~~

14 ~~(V) THE ADDRESS AND TELEPHONE NUMBER OF THE~~
15 ~~EMPLOYER;~~

16 ~~(VI) THE RATE OR RATES OF PAY, INCLUDING WHETHER THE~~
17 ~~RATE OF PAY IS BY:~~

18 ~~1. THE HOUR;~~

19 ~~2. THE SHIFT;~~

20 ~~3. THE DAY;~~

21 ~~4. THE WEEK;~~

22 ~~5. SALARY;~~

23 ~~6. THE PIECE;~~

24 ~~7. COMMISSION; OR~~

25 ~~8. ANY OTHER BASIS OF PAY;~~

26 ~~(VII) A STATEMENT OF THE NET EARNINGS OF THE EMPLOYEE;~~

1 ~~(VIII) ALLOWANCES CLAIMED AS PART OF THE EMPLOYEE'S WAGE,~~
 2 ~~INCLUDING:~~

3 ~~1. TIP ALLOWANCES;~~

4 ~~2. MEAL ALLOWANCES; OR~~

5 ~~3. LODGING ALLOWANCES;~~

6 ~~(IX) FOR EACH EMPLOYEE NOT EXEMPT FROM PAYMENT OF~~
 7 ~~OVERTIME UNDER § 3-403(A)(1) OF THIS TITLE, EACH EMPLOYEE'S:~~

8 ~~1. NUMBER OF REGULAR HOURS WORKED; AND~~

9 ~~2. NUMBER OF OVERTIME HOURS WORKED; AND~~

10 ~~(X) FOR EACH EMPLOYEE PAID AT A PIECE RATE, THE~~
 11 ~~APPLICABLE PIECE RATES OR PIECE RATES OF PAY AND THE NUMBER OF PIECES~~
 12 ~~COMPLETED AT EACH PIECE RATE; AND~~

13 (3) at least 1 pay period in advance, notice of any change in a payday or
 14 wage.

15 (b) This section does not prohibit an employer from increasing a wage without
 16 advance notice.

17 (c) ON WRITTEN REQUEST OF AN EMPLOYEE, AN EMPLOYER SHALL
 18 PROVIDE AN EXPLANATION IN WRITING OF HOW THE EMPLOYEE'S WAGES WERE
 19 CALCULATED FOR ONE OR MORE PAY PERIODS.

20 ~~§ 507.2.~~

21 ~~(a) Notwithstanding any remedy available under § 3-507 of this subtitle, if an~~
 22 ~~employer fails to pay an employee in accordance with § 3-502 or § 3-505 of this subtitle,~~
 23 ~~after 2 weeks have elapsed from the date on which the employer is required to have paid~~
 24 ~~the wages, the employee may bring an action against the employer to recover:~~

25 ~~(1) the unpaid wages; AND~~

26 ~~(2) LIQUIDATED DAMAGES OF \$100 FOR EACH PAY PERIOD THAT THE~~
 27 ~~EMPLOYER FAILED TO MEET THE REQUIREMENTS OF § 3-504 OF THIS SUBTITLE,~~
 28 ~~NOT TO EXCEED \$2,500.~~

1 ~~(b) If, in an action under subsection (a) of this section, a court finds that an~~
2 ~~employer withheld the wage of an employee in violation of this subtitle and not as a result~~
3 ~~of a bona fide dispute, the court may award the employee an amount not exceeding 3 times~~
4 ~~the wage, and reasonable counsel fees and other costs.~~

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 October 1, 2017.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.