

HOUSE BILL 404

K3

0lr0088

By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: January 29, 2010

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2010

CHAPTER _____

1 AN ACT concerning

2 **Labor and Employment – Wage Payment and Collection – Order to Pay**
3 **Wages**

4 FOR the purpose of providing for an administrative procedure for the Commissioner of
5 Labor and Industry on receipt of a complaint for failure to pay wages that do not
6 exceed a certain amount; authorizing the ~~Commissioner~~ Commissioner to issue
7 an order to pay wages under certain circumstances; authorizing an employer to
8 request a de novo hearing on the order to pay wages; providing that the order to
9 pay wages becomes a final order under certain circumstances; authorizing the
10 Commissioner to enforce payment in District Court under certain
11 circumstances; and generally relating to wage payment and collection.

12 BY renumbering

13 Article – Labor and Employment

14 Section 3–507.1

15 to be Section 3–507.2

16 Annotated Code of Maryland

17 (2008 Replacement Volume and 2009 Supplement)

18 BY adding to

19 Article – Labor and Employment

20 Section 3–507.1

21 Annotated Code of Maryland

22 (2008 Replacement Volume and 2009 Supplement)

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 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That Section(s) 3–507.1 of Article – Labor and Employment of the
3 Annotated Code of Maryland be renumbered to be Section(s) 3–507.2.

4 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
5 read as follows:

6 **Article – Labor and Employment**

7 **3–507.1.**

8 (A) ON RECEIPT OF A COMPLAINT FOR FAILURE TO PAY WAGES THAT
9 DO NOT EXCEED ~~\$5,000~~ \$3,000, THE COMMISSIONER SHALL:

10 (1) SEND A COPY OF THE COMPLAINT TO THE EMPLOYER
11 ALLEGED TO HAVE FAILED TO PAY WAGES; AND

12 (2) REQUIRE A WRITTEN RESPONSE TO THE COMPLAINT WITHIN
13 15 DAYS.

14 (B) (1) THE COMMISSIONER:

15 (I) SHALL REVIEW THE COMPLAINT AND ANY RESPONSE TO
16 IT; AND

17 (II) MAY INVESTIGATE THE CLAIM.

18 (2) ON THE BASIS OF THE REVIEW AND ANY INVESTIGATION, THE
19 COMMISSIONER MAY:

20 (I) ISSUE AN ORDER TO PAY WAGES UNDER SUBSECTION
21 (C) OF THIS SECTION IF THE COMMISSIONER DETERMINES THAT THIS SUBTITLE
22 HAS BEEN VIOLATED; OR

23 (II) DISMISS THE CLAIM.

24 (C) (1) THE COMMISSIONER MAY ISSUE AN ORDER TO PAY WAGES
25 THAT:

26 (I) DESCRIBES THE ALLEGED VIOLATION;

27 (II) DIRECTS PAYMENT OF WAGES TO THE COMPLAINANT;
28 AND

1 **(III) IF APPROPRIATE, ORDERS THE PAYMENT OF INTEREST**
2 **AT THE RATE OF 5% PER YEAR ACCRUING FROM THE DATE THE WAGES ARE**
3 **OWED.**

4 **(2) THE COMMISSIONER SHALL SEND THE ORDER TO PAY WAGES**
5 **TO THE COMPLAINANT AND TO THE EMPLOYER AT THE EMPLOYER'S LAST**
6 **KNOWN BUSINESS ADDRESS BY BOTH REGULAR MAIL AND CERTIFIED MAIL,**
7 **RETURN RECEIPT REQUESTED.**

8 **(3) WITHIN 30 DAYS AFTER RECEIPT OF THE ORDER TO PAY**
9 **WAGES, THE EMPLOYER MAY REQUEST A DE NOVO ADMINISTRATIVE HEARING,**
10 **WHICH SHALL BE CONDUCTED IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF**
11 **THE STATE GOVERNMENT ARTICLE.**

12 **(4) ON RECEIPT OF A REQUEST FOR A HEARING, THE**
13 **COMMISSIONER SHALL SCHEDULE A HEARING.**

14 **(5) IF A HEARING IS NOT REQUESTED, THE ORDER TO PAY WAGES**
15 **SHALL BECOME A FINAL ORDER OF THE COMMISSIONER.**

16 **(6) (I) IF A PETITION FOR REVIEW IS NOT FILED WITHIN 30**
17 **DAYS OF THE ISSUANCE OF THE FINAL ORDER, THE COMMISSIONER MAY**
18 **PROCEED IN DISTRICT COURT OF THE COUNTY WHERE THE EMPLOYER RESIDES**
19 **OR HAS A PLACE OF BUSINESS TO ENFORCE PAYMENT.**

20 **(II) IN A PROCEEDING UNDER THIS SUBSECTION, THE**
21 **COMMISSIONER IS ENTITLED TO JUDGMENT IN THE AMOUNT OF THE ORDER TO**
22 **PAY WAGES AND ANY INTEREST DUE ON A SHOWING THAT:**

23 **1. THE ORDER TO PAY WAGES AND INTEREST, IF**
24 **ANY, WAS ASSESSED AGAINST THE EMPLOYER;**

25 **2. NO APPEAL IS PENDING;**

26 **3. THE ORDERED WAGES AND INTEREST, IF ANY, ARE**
27 **WHOLLY OR PARTLY UNPAID; AND**

28 **4. THE EMPLOYER WAS DULY SERVED WITH A COPY**
29 **OF THE ORDER TO PAY WAGES AND INTEREST, IF ANY, IN ACCORDANCE WITH**
30 **THIS SECTION.**

31 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 October 1, 2010.