

SENATE BILL 3

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5lr0481

(PRE-FILED)

By: **Senator Getty**

Requested: October 8, 2014

Introduced and read first time: January 14, 2015

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **State Minimum Wage Rate – Exceptions – Social Service Nonprofit**
3 **Organizations**

4 FOR the purpose of authorizing certain nonprofit organizations to pay employees a certain
5 wage; making a stylistic change; and generally relating to exceptions to the State
6 minimum wage rate.

7 BY repealing and reenacting, with amendments,
8 Article – Labor and Employment
9 Section 3–413
10 Annotated Code of Maryland
11 (2008 Replacement Volume and 2014 Supplement)

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

14 **Article – Labor and Employment**

15 3–413.

16 (a) In this section, “employer” includes a governmental unit.

17 (b) Except as provided in subsection (d) of this section and § 3–414 of this subtitle,
18 each employer shall pay:

19 (1) to each employee who is subject to both the federal Act and this subtitle,
20 at least the greater of:

21 (i) the minimum wage for that employee under the federal Act; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) the State minimum wage rate set under subsection (c) of this
2 section; and

3 (2) each other employee who is subject to this subtitle, at least:

4 (i) the greater of:

5 1. the highest minimum wage under the federal Act; or

6 2. the State minimum wage rate set under subsection (c) of
7 this section; or

8 (ii) a training wage under regulations that the Commissioner adopts
9 that include the conditions and limitations authorized under the federal Fair Labor
10 Standards Amendments of 1989.

11 (c) The State minimum wage rate is:

12 (1) for the 6-month period beginning January 1, 2015, \$8.00 per hour;

13 (2) for the 12-month period beginning July 1, 2015, \$8.25 per hour;

14 (3) for the 12-month period beginning July 1, 2016, \$8.75 per hour;

15 (4) for the 12-month period beginning July 1, 2017, \$9.25 per hour; and

16 (5) beginning July 1, 2018, \$10.10 per hour.

17 (d) (1) (i) Except as provided in paragraph (2) of this subsection and
18 subject to subparagraph (ii) of this paragraph, an employer may pay an employee a wage
19 that equals a rate of 85% of the State minimum wage established under this section if the
20 employee is under the age of 20 years.

21 (ii) An employer may pay to an employee the wage provided under
22 subparagraph (i) of this paragraph only for the first 6 months that the employee is
23 employed.

24 (2) (i) This paragraph applies only to an employer that is:

25 1. an amusement or a recreational establishment, including
26 a swimming pool, [if the employer] **THAT:**

27 [1.] **A.** operates for no more than 7 months in a calendar
28 year; or

1 **[2.] B.** for any 6 months during the preceding calendar
2 year, has average receipts that do not exceed one-third of the average receipts for the other
3 6 months; **OR**

4 **2. A NONPROFIT ORGANIZATION THAT:**

5 **A. PROVIDES SOCIAL SERVICES TO RESIDENTS OF THE**
6 **STATE; AND**

7 **B. HAS AN ANNUAL OPERATING BUDGET OF \$250,000 OR**
8 **LESS.**

9 (ii) An employer may pay an employee a wage that equals the
10 greater of:

11 1. 85% of the State minimum wage established under this
12 section; or

13 2. \$7.25.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2015.