Chapter 499

(Senate Bill 553)

AN ACT concerning

Tipped Employees - Payments or Deduction from Wages - Prohibition

FOR the purpose of prohibiting certain employers from requiring a tipped employee to reimburse or pay the employer certain amounts under certain circumstances; prohibiting certain employers from deducting certain amounts from a tipped employee under certain circumstances; requiring certain employers to post certain notices in certain places in a form required by the Commissioner of Labor and Industry; defining a certain term; and generally relating to tipped employees and unpaid customer charges.

BY adding to

Article – Labor and Employment Section 3–713 Annotated Code of Maryland (2008 Replacement Volume and 2012 Supplement)

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

Article - Labor and Employment

3-713.

- (A) IN THIS SECTION, "TIPPED EMPLOYEE" MEANS AN EMPLOYEE WHO IS ENGAGED IN AN OCCUPATION IN WHICH THE EMPLOYEE CUSTOMARILY AND REGULARLY RECEIVES MORE THAN \$30 EACH MONTH IN TIPS OR GRATUITIES.
- (B) (1) AN EMPLOYER MAY NOT REQUIRE A TIPPED EMPLOYEE TO REIMBURSE THE EMPLOYER OR PAY TO THE EMPLOYER AN AMOUNT EQUIVALENT TO A CUSTOMER'S CHARGE FOR FOOD OR BEVERAGES IF THE CUSTOMER LEAVES THE EMPLOYER'S PLACE OF BUSINESS WITHOUT PAYING THE CHARGE FOR FOOD OR BEVERAGES.
- (2) Subject to § 3–503 of this title, an employer may not make a deduction from the wage of a tipped employee to reimburse the employer for an amount equivalent to a customer's charge for food or beverages if the customer leaves the employer's place of business without paying the charge for food or beverages.

(C) EACH EMPLOYER SHALL KEEP POSTED CONSPICUOUSLY IN A PLACE WHERE A TIPPED EMPLOYEE IS EMPLOYED A PRINTED NOTICE OF THE PROVISIONS OF THIS SECTION, IN A FORM THAT THE COMMISSIONER REQUIRES.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2013.

Approved by the Governor, May 16, 2013.