

Chapter 664

(House Bill 531)

AN ACT concerning

State Personnel – Payment of State Employee Wages – Repeal of Sunset Provision

FOR the purpose of repealing the termination date for certain provisions of law requiring the Central Payroll Bureau of the Office of the State Comptroller to establish certain pay periods and pay certain employees at certain intervals, requiring appointing authorities to report certain payroll information to the Bureau in a certain manner, requiring the Bureau and the appointing authorities to provide certain information to each employee, establishing a certain grievance procedure, and allowing certain damages; and generally relating to the payment of State employee wages.

BY repealing and reenacting, without amendments,
Article – State Personnel and Pensions
Section 2–402(c) and (d), 2–406, 2–407, and 12–402(b)(1)(ii) and (3)
Annotated Code of Maryland
(2015 Replacement Volume and 2018 Supplement)

BY repealing and reenacting, with amendments,
Chapter 783 of the Acts of the General Assembly of 2017
Section 3

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

Article – State Personnel and Pensions

2–402.

- (c) (1) In this subsection:
 - (i) “wage” means all compensation that is due to an employee; and
 - (ii) “wage” includes:
 - 1. a bonus;
 - 2. a commission;
 - 3. a fringe benefit;
 - 4. overtime wages;

5. premium pay; or
6. any other remuneration promised for service.

(2) The Central Payroll Bureau shall:

(i) establish regular pay periods; and

(ii) except as provided in paragraph (3) of this subsection, pay each employee at least once every 2 weeks or twice each month.

(3) The Central Payroll Bureau may pay an administrative, an executive, or a professional employee less frequently than required under paragraph (2)(ii) of this subsection.

(d) Each appointing authority shall accurately and timely calculate and report to the Central Payroll Bureau the payroll information for each employee.

2-406.

(a) Each appointing authority shall provide each employee, at the time of hiring, notice of:

(1) the employee's rate of pay;

(2) the regular pay periods; and

(3) the employee's leave benefits.

(b) The Central Payroll Bureau of the Office of the State Comptroller shall provide for each employee, for each pay period, a statement of the gross earnings of the employee and any deductions from the gross earnings.

2-407.

(a) If an appointing authority does not report payroll information in accordance with § 2-402 of this subtitle, the employee or the employee's exclusive representative may initiate a grievance under the grievance procedure established under Title 12, Subtitle 2 of this article.

(b) (1) Except as provided in paragraph (2) of this subsection, and notwithstanding § 12-203 of this article, a grievance under subsection (a) of this section shall be initiated within 20 days after the failure to pay occurred.

(2) If the failure to pay is not known to, or discovered by, the employee

within 20 days after the failure to pay occurs, a grievance under subsection (a) of this section may be initiated no later than 6 months after the date on which the failure to pay occurred.

(c) (1) Subject to paragraphs (2) and (3) of this subsection, if a grievance is initiated in accordance with subsection (a) of this section, an employee is entitled to wages and damages unless the wage is withheld as a result of a bona fide dispute.

(2) If the grievance was filed:

(i) in the first 3 business days of a pay period, then damages shall start in the following regular pay period; or

(ii) after the third business day of a pay period, then the damages shall start in the second regular pay period following the pay period in which the employee was not paid the employee's full wage.

(3) The damages under paragraph (1) of this subsection:

(i) may not begin until at least 1 regular pay period has elapsed since the employee was not paid the employee's full wage due for a pay period;

(ii) shall increase per pay period by 30% of the wage that the appointing authority failed to report;

(iii) shall continue until the pay period when the appointing authority reports the missing wages and damages, if any, to the Central Payroll Bureau; and

(iv) may not exceed 3 times the amount of wage due that the appointing authority failed to report for a pay period.

12-402.

(b) (1) A decision maker at Step Two or Step Three of the grievance procedure:

(ii) on a finding that wages were withheld in violation of §§ 2-402 and 2-407 of this article, shall order the payment of damages in accordance with § 2-407(c) of this article.

(3) Subject to the limitations in Title 14, Subtitle 2 of this article, an appointing authority shall carry out a back pay order or damages order issued under this subsection.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017. [It shall remain effective for a period of 2 years and, at the end of June 30, 2019, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

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

Enacted under Article II, § 17(c) of the Maryland Constitution, May 25, 2019.