

**Letter of Information on HB385  
Wage Payment and Collection - Pay Stubs and Pay Statements - Required Information  
Economic Matters Committee - January 31, 2024**

As a former lead sponsor of this legislation and now the head of an agency that depends on revenue from accurate paystubs, I am happy to offer the following information on HB385.

**What this bill does**

- This legislation expands the records that an employer is required to keep and produce for each pay period to include:
  - employer's name
  - dates of work covered by the pay period
  - number of hours worked
  - rates of pay
  - gross and net pay earned
  - amount and purpose of all deductions
  - a description of the information used by the employer to calculate the employee's gross and net pay
- If employers fail to deliver the above, this legislation provides that:
  - An employee or Attorney General may sue the employer to recover
    - liquidated damages of \$100 for each workweek in which the violations occurred, up to \$5,000;
    - reasonable counsel fees and other costs.

**Why this bill matters.**

- As Delegate, I sponsored a similar bill to provide workers with the information necessary to ensure employers are being straight with them, paying what they are owed consistent with their employment agreement, and ensuring their actions are consistent with the law.
- As Comptroller, I can confirm that this legislation will assist our agency with auditing withholding taxes, as paystubs and more-detailed payroll information will be readily available if this bill becomes law. The Compliance Division anticipates these requirements will improve investigations into withholding tax matters related to possible worker misclassification and could help serve as a deterrent to that continued activity.



Brooke Lierman  
Comptroller of Maryland

