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**By: Delegate D. Davis**

Rules suspended

Introduced and read first time: March 10, 1997

Assigned to: Rules and Executive Nominations

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A BILL ENTITLED

1 AN ACT concerning

2 **Bonuses - Distribution to All Employees**

3 FOR the purpose of requiring an employer that wishes to award certain bonuses to its  
4 employees to pay a bonus to every employee according to a certain ratio.

5 BY adding to

6 Article - Labor and Employment

7 Section 3-416

8 Annotated Code of Maryland

9 (1991 Volume and 1996 Supplement)

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

12 **Article - Labor and Employment**

13 3-416.

14 (A) NOTWITHSTANDING § 3-403 OF THIS SUBTITLE, THIS SECTION APPLIES TO  
15 ALL EMPLOYEES OF AN EMPLOYER.

16 (B) IF AN EMPLOYER WISHES TO PAY MONETARY BONUSES TO ITS  
17 EMPLOYEES AS A REWARD OR AS COMPENSATION FOR THE PERFORMANCE OF THE  
18 EMPLOYER'S BUSINESS, THE EMPLOYER SHALL:

19 (1) POOL ALL MONEY IT INTENDS TO PAY AS BONUSES;

20 (2) AWARD A BONUS TO EACH EMPLOYEE; AND

21 (3) NOT PAY A BONUS TO AN EMPLOYEE THAT IS MORE THAN TWICE  
22 THE AMOUNT OF THE SMALLEST BONUS TO BE PAID TO AN EMPLOYEE.

23 (C) IF AN EMPLOYER WISHES TO PAY ITS EMPLOYEES ANNUAL BONUSES  
24 THAT ARE NOT A REWARD OR COMPENSATION FOR THE PERFORMANCE OF THE  
25 EMPLOYER'S BUSINESS, THE EMPLOYER:

26 (1) SHALL PAY A BONUS TO ALL OF ITS EMPLOYEES; AND

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1                   (2) MAY NOT PAY A BONUS TO AN EMPLOYEE THAT EXCEEDS 2 WEEKS  
2 OF REGULAR PAY FOR THE EMPLOYEE.

3                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
4 October 1, 1997.