

HOUSE BILL 404

K3

01r0088

By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: January 29, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Labor and Employment – Wage Payment and Collection – Order to Pay**
3 **Wages**

4 FOR the purpose of providing for an administrative procedure for the Commissioner of
5 Labor and Industry on receipt of a complaint for failure to pay wages that do not
6 exceed a certain amount; authorizing the Commissioner to issue an order to pay
7 wages under certain circumstances; authorizing an employer to request a de
8 novo hearing on the order to pay wages; providing that the order to pay wages
9 becomes a final order under certain circumstances; authorizing the
10 Commissioner to enforce payment in District Court under certain
11 circumstances; and generally relating to wage payment and collection.

12 BY renumbering

13 Article – Labor and Employment
14 Section 3–507.1
15 to be Section 3–507.2
16 Annotated Code of Maryland
17 (2008 Replacement Volume and 2009 Supplement)

18 BY adding to

19 Article – Labor and Employment
20 Section 3–507.1
21 Annotated Code of Maryland
22 (2008 Replacement Volume and 2009 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
24 MARYLAND, That Section(s) 3–507.1 of Article – Labor and Employment of the
25 Annotated Code of Maryland be renumbered to be Section(s) 3–507.2.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
2 read as follows:

3 **Article – Labor and Employment**

4 **3-507.1.**

5 (A) ON RECEIPT OF A COMPLAINT FOR FAILURE TO PAY WAGES THAT
6 DO NOT EXCEED \$5,000, THE COMMISSIONER SHALL:

7 (1) SEND A COPY OF THE COMPLAINT TO THE EMPLOYER
8 ALLEGED TO HAVE FAILED TO PAY WAGES; AND

9 (2) REQUIRE A WRITTEN RESPONSE TO THE COMPLAINT WITHIN
10 15 DAYS.

11 (B) (1) THE COMMISSIONER:

12 (I) SHALL REVIEW THE COMPLAINT AND ANY RESPONSE TO
13 IT; AND

14 (II) MAY INVESTIGATE THE CLAIM.

15 (2) ON THE BASIS OF THE REVIEW AND ANY INVESTIGATION, THE
16 COMMISSIONER MAY:

17 (I) ISSUE AN ORDER TO PAY WAGES UNDER SUBSECTION
18 (C) OF THIS SECTION IF THE COMMISSIONER DETERMINES THAT THIS SUBTITLE
19 HAS BEEN VIOLATED; OR

20 (II) DISMISS THE CLAIM.

21 (C) (1) THE COMMISSIONER MAY ISSUE AN ORDER TO PAY WAGES
22 THAT:

23 (I) DESCRIBES THE ALLEGED VIOLATION;

24 (II) DIRECTS PAYMENT OF WAGES TO THE COMPLAINANT;
25 AND

26 (III) IF APPROPRIATE, ORDERS THE PAYMENT OF INTEREST
27 AT THE RATE OF 5% PER YEAR ACCRUING FROM THE DATE THE WAGES ARE
28 OWED.

1 **(2) THE COMMISSIONER SHALL SEND THE ORDER TO PAY WAGES**
2 **TO THE COMPLAINANT AND TO THE EMPLOYER AT THE EMPLOYER'S LAST**
3 **KNOWN BUSINESS ADDRESS BY BOTH REGULAR MAIL AND CERTIFIED MAIL,**
4 **RETURN RECEIPT REQUESTED.**

5 **(3) WITHIN 30 DAYS AFTER RECEIPT OF THE ORDER TO PAY**
6 **WAGES, THE EMPLOYER MAY REQUEST A DE NOVO ADMINISTRATIVE HEARING,**
7 **WHICH SHALL BE CONDUCTED IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF**
8 **THE STATE GOVERNMENT ARTICLE.**

9 **(4) ON RECEIPT OF A REQUEST FOR A HEARING, THE**
10 **COMMISSIONER SHALL SCHEDULE A HEARING.**

11 **(5) IF A HEARING IS NOT REQUESTED, THE ORDER TO PAY WAGES**
12 **SHALL BECOME A FINAL ORDER OF THE COMMISSIONER.**

13 **(6) (I) IF A PETITION FOR REVIEW IS NOT FILED WITHIN 30**
14 **DAYS OF THE ISSUANCE OF THE FINAL ORDER, THE COMMISSIONER MAY**
15 **PROCEED IN DISTRICT COURT OF THE COUNTY WHERE THE EMPLOYER RESIDES**
16 **OR HAS A PLACE OF BUSINESS TO ENFORCE PAYMENT.**

17 **(II) IN A PROCEEDING UNDER THIS SUBSECTION, THE**
18 **COMMISSIONER IS ENTITLED TO JUDGMENT IN THE AMOUNT OF THE ORDER TO**
19 **PAY WAGES AND ANY INTEREST DUE ON A SHOWING THAT:**

20 **1. THE ORDER TO PAY WAGES AND INTEREST, IF**
21 **ANY, WAS ASSESSED AGAINST THE EMPLOYER;**

22 **2. NO APPEAL IS PENDING;**

23 **3. THE ORDERED WAGES AND INTEREST, IF ANY, ARE**
24 **WHOLLY OR PARTLY UNPAID; AND**

25 **4. THE EMPLOYER WAS DULY SERVED WITH A COPY**
26 **OF THE ORDER TO PAY WAGES AND INTEREST, IF ANY, IN ACCORDANCE WITH**
27 **THIS SECTION.**

28 **SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect**
29 **October 1, 2010.**