

SENATE BILL 38

K3

(PRE-FILED)

4r1389
CF 4r1388

By: **Senator A. Washington**

Requested: November 1, 2023

Introduced and read first time: January 10, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Wage Payment and Collection – Pay Stubs and Pay Statements – Required**
3 **Information**

4 FOR the purpose of requiring that the statement regarding earnings required to be
5 provided to employees by employers be written on the physical pay stub or online
6 pay statement and include certain information; and generally relating to information
7 on pay stubs and pay statements.

8 BY repealing and reenacting, with amendments,
9 Article – Labor and Employment
10 Section 3–504
11 Annotated Code of Maryland
12 (2016 Replacement Volume and 2023 Supplement)

13 BY adding to
14 Article – Labor and Employment
15 Section 3–507.3
16 Annotated Code of Maryland
17 (2016 Replacement Volume and 2023 Supplement)

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

20 **Article – Labor and Employment**

21 3–504.

22 (a) An employer shall give to each employee:

23 (1) at the time of hiring, notice of:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (i) the rate of pay of the employee;
- 2 (ii) the regular paydays that the employer sets; and
- 3 (iii) leave benefits;

4 (2) for each pay period, a **WRITTEN** statement [of the gross earnings of the
5 employee and deductions from those gross earnings; and] **ON THE PHYSICAL PAY STUB**
6 **OR THE ONLINE PAY STATEMENT THAT INCLUDES:**

7 (I) **THE EMPLOYER'S NAME REGISTERED WITH THE STATE,**
8 **ADDRESS, AND TELEPHONE NUMBER;**

9 (II) **THE DATES OF WORK COVERED BY THE PAY PERIOD FOR**
10 **WHICH THE PAYMENT IS MADE;**

11 (III) **UNLESS THE EMPLOYEE IS EXEMPT FROM OVERTIME UNDER**
12 **FEDERAL AND STATE LAW, THE NUMBER OF HOURS WORKED DURING THE PAY**
13 **PERIOD;**

14 (IV) **THE RATES OF PAY;**

15 (V) **THE GROSS AND NET PAY EARNED DURING THE PAY PERIOD;**

16 (VI) **THE AMOUNT AND PURPOSE OF ALL DEDUCTIONS;**

17 (VII) **A DESCRIPTION OF THE INFORMATION USED BY THE**
18 **EMPLOYER TO CALCULATE THE EMPLOYEE'S GROSS AND NET PAY; AND**

19 (VIII) **FOR EACH EMPLOYEE PAID AT A PIECE RATE, THE**
20 **APPLICABLE PIECE RATES OF PAY AND THE NUMBER OF PIECES COMPLETED AT**
21 **EACH PIECE RATE; AND**

22 (3) at least 1 pay period in advance, notice of any change in a payday or
23 wage.

24 (b) This section does not prohibit an employer from increasing a wage without
25 advance notice.

26 **3-507.3.**

27 (A) **NOTWITHSTANDING ANY OTHER REMEDY AVAILABLE UNDER THIS**
28 **SUBTITLE, IF AN EMPLOYER FAILS TO PROVIDE THE INFORMATION REQUIRED**

1 UNDER § 3-504(A)(2) OF THIS SUBTITLE, AN EMPLOYEE OF THE EMPLOYER OR THE
2 ATTORNEY GENERAL MAY BRING AN ACTION AGAINST THE EMPLOYER.

3 (B) IF, IN AN ACTION UNDER SUBSECTION (A) OF THIS SECTION, A COURT
4 FINDS THAT THE EMPLOYEE IS UNABLE TO DETERMINE THE CORRECT AMOUNT OF
5 PAY, IDENTIFY THE EMPLOYER'S LEGAL NAME, OR CONTACT THE EMPLOYER, THE
6 COURT MAY ORDER:

7 (1) INJUNCTIVE RELIEF;

8 (2) UNLESS THE EMPLOYER SHOWS THAT IT ACTED IN GOOD FAITH
9 AND REASONABLY BELIEVED THAT IT MET THE REQUIREMENTS OF § 3-504(A)(2) OF
10 THIS SUBTITLE, LIQUIDATED DAMAGES OF \$100 FOR EACH WORKWEEK IN WHICH
11 THE VIOLATION OCCURRED, NOT TO EXCEED \$5,000; AND

12 (3) REASONABLE COUNSEL FEES AND COSTS.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 October 1, 2024.