Maryland Minor League Players Union Letter (11.29. Uploaded by: Pamela Beidle

Position: FAV





November 29, 2023

The Honorable Wes Moore Governor, State of Maryland

The Honorable Bill Ferguson President, Maryland Senate

The Honorable Adrienne A. Jones Speaker, Maryland House of Delegates

Dear Governor Moore, Senate President Ferguson, and Speaker Jones:

On behalf of Major League Baseball and its thirty Clubs (collectively "MLB") and the Major League Baseball Players Association (the "Players Association"), the labor union representing all domestic Minor League Players employed by an MLB Club ("Players"), we write to clarify our joint position on the treatment of Minor League Players represented by the Players Association under various wage and hour laws.

We write to express our joint support for legislation that would provide a narrowly tailored exemption from wage and hour laws (including minimum wage, overtime and recordkeeping requirements) that otherwise could apply to Players, in deference to the compensation and benefit provisions of the new collective bargaining agreement negotiated by the Players Association, on behalf of Players, and MLB, ("Minor League CBA"), provided the exemption would only apply to Players during the period in which they are compensated pursuant to the terms of the CBA.

The new Minor League CBA treats Players as salaried employees in which they receive weekly salaries throughout the calendar year (with the exception of a brief period around the holidays when Players are off and not permitted to perform work for their Clubs). Other benefits Players will receive under the Minor League CBA include but are not limited to health benefits, retirement benefits, housing benefits, and salary continuation in the event of disability resulting from a work-related injury. For this reason, we agree that Players who are receiving the compensation and benefits negotiated by the parties as set forth in our Minor League CBA covering the 2023-2027 seasons should be treated as "exempt" salaried professionals and, as such, need no recourse to sue for minimum wage, overtime and recordkeeping violations for the duration of the Minor League CBA.

Daniel Halem

Deputy Commissioner Major League Baseball

Tony Clark

Executive Director

Major League Baseball Players Association

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PAMELA G. BEIDLE Legislative District 32 Anne Arundel County

Chair, Finance Committee

Executive Nominations Committee

Joint Committee on Gaming Oversight
Joint Committee on Management
of Public Funds
Spending Affordability Committee



THE SENATE OF MARYLAND ANNAPOLIS, MARYLAND 21401

February 8th, 2024

Miller Senate Office Building 11 Bladen Street, Suite 3 East Annapolis, Maryland 21401 410-841-3593 · 301-858-3593 800-492-7122 Ext. 3593 Pamela.Beidle@senate.state.md.us

Senate Bill 466 - Wage and Hour Law Minor League Baseball Players - Exemption

Vice Chair Klausmeier and distinguished members of the Finance Committee;

It is my pleasure to share with you **Senate Bill: 466 Wage and Hour Law - Minor League Baseball Players - Exemption**. This bill would codify that a minor league baseball player, who is part of the minor league players union, is exempt from wage and hour laws, just like other salaried employees in the State.

On March 29, 2023, MLB and the Major League Baseball Players Association agreed to the first-ever Collective Bargaining Agreement between the 30 MLB Clubs and minor league players.

This bill celebrates a weekly salary for minor league players, highly-subsidized health benefits, retirement benefits, housing benefits, Club-provided meals, per diems on the road, salary continuation for disability resulting from work-related injury, tuition assistance and other benefits that we would readily associate with other salaried employees in our great state.

Minor League ball players are not the kind of employee who was contemplated by our wage and hour laws, they don't work shifts, they don't have regular hours.

Imagine a player having to leave mid-game because they had reached the hours cap. Indeed, the driving purpose of the minor leagues is to allow good players to become great, to have the time, and space to hone and perfect their skills ahead of a hopeful Major League career.

They don't fit neatly into our standard salaried exemption, their job duties aren't the same as a white-collar office worker, or a manager, or any of the other standards currently exempted. To accommodate this uniqueness, and to accommodate this historic collective bargaining agreement this bill is before you.

We are not staking out new ground: We are in concert with federal law as well as states whose labor laws reflect the federal law. Moreover, legislation has already passed in California, Florida, and North Carolina; bills are now pending in Washington and Arizona and New York.

Included in my testimony today is a signed letter from the players union expressing support for this legislation.

This bill will see Minor League Ball players working lives radically improve, a goal we all share here in Maryland, at the same time it allows the players what they most desire, the time and space to reach their potential and fulfil their big league dreams.

I respectfully request a favorable report on Senate Bill 466.

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Steven Gonzalez SB466 FAV.pdfUploaded by: Steven Gonzalez Position: FAV

Testimony in Support of Senate Bill 466: Wage and Hour Law - Minor League Baseball Players - Exemption

February 8th, 2024

Vice Chair Klausmeier and distinguished members of the Finance Committee, it is my pleasure to come before you and offer testimony in favor of **Senate Bill: 466 Wage and Hour Law-Minor League Baseball Players - Exemption**.

My name is Steve Gonzalez, and I'm the Senior Vice President and Chief Employment Counsel for Major League Baseball. In addition to the Chair's comments, there are a few points I'd like to emphasize today.

First, to be clear, we're here not because our collective bargaining agreement for minor league players fails to meet state standards, but because both MLB and the players' own union believe that our negotiated compensation structure is most beneficial to the players. Unlike a typical hourly worker, players sought and receive part of their compensation in the form of housing, meals and even signing bonuses. Players also compete vigorously – at and away from the ballpark – to reach their dream of being called up to the Majors, so it doesn't benefit them to have their playing or practice time limited, or access to club facilities and resources restricted, due to having hourly worker status. Moreover, the parties' CBA here ensures that players achieve the standard of living intended by Maryland law anyway – as their minimum in-season salary alone would cover them for 56-66 hours per week depending on the player's level in 2024 – but does so while recognizing that the experience of a player is unique compared to hourly workers who can only work at employer-specified times.

In other words, this bill recognizes that players should be treated as salaried workers who may perform certain job-related activities for their own benefit and development, even if those activities are not required by the employer. For example, on top of the real problems identified by the Chair, treating players as hourly workers creates the additional conundrum of determining what hours should even be counted because players do things on their own time and at home during the season and offseason for physical fitness, studying their craft or otherwise seeking a competitive edge. This is one reason why players are now uniquely paid and receive health coverage year-round even though their required baseball-playing activities are only seasonal.

In conclusion, players put in whatever work they deem necessary to achieve their goal of making it to the next level. This practical bill allows them to preserve that opportunity, and therefore I urge a favorable report on **Senate Bill 466**. Thank you.