

Chapter 151

(House Bill 404)

AN ACT concerning

Labor and Employment – Wage Payment and Collection – Order to Pay Wages

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

BY renumbering

Article – Labor and Employment

Section 3–507.1

to be Section 3–507.2

Annotated Code of Maryland

(2008 Replacement Volume and 2009 Supplement)

BY adding to

Article – Labor and Employment

Section 3–507.1

Annotated Code of Maryland

(2008 Replacement Volume and 2009 Supplement)

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

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

Article – Labor and Employment

3–507.1.

(A) ON RECEIPT OF A COMPLAINT FOR FAILURE TO PAY WAGES THAT DO NOT EXCEED ~~\$5,000~~ \$3,000, THE COMMISSIONER SHALL:

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

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

(B) (1) THE COMMISSIONER:

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

(II) MAY INVESTIGATE THE CLAIM.

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

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

(II) DISMISS THE CLAIM.

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

(I) DESCRIBES THE ALLEGED VIOLATION;

(II) DIRECTS PAYMENT OF WAGES TO THE COMPLAINANT;

AND

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

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

(3) WITHIN 30 DAYS AFTER RECEIPT OF THE ORDER TO PAY WAGES, THE EMPLOYER MAY REQUEST A DE NOVO ADMINISTRATIVE HEARING,

WHICH SHALL BE CONDUCTED IN ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

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

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

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

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

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

2. NO APPEAL IS PENDING;

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

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

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

Approved by the Governor, April 13, 2010.