

HOUSE BILL 763

K3, F2

7lr2171

By: **Delegates Tarlau, Anderson, Angel, D. Barnes, Barron, Carr, Cullison, Frush, Gutierrez, Healey, C. Howard, Kelly, Korman, McCray, Moon, Morales, Pena-Melnyk, Platt, Queen, Sanchez, Stein, Sydnor, Waldstreicher, and P. Young**

Introduced and read first time: February 3, 2017

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Wage and Hour Law – Public Senior Higher Education Institution –**
3 **Payment of County Minimum Wage**

4 FOR the purpose of altering a certain provision of the Maryland Wage and Hour Law to
5 authorize a certain public senior higher education institution to pay to certain
6 employees under certain circumstances the minimum wage rate set by a certain
7 county; making a conforming change; and generally relating to the payment of a
8 minimum wage under the Maryland Wage and Hour Law.

9 BY repealing and reenacting, without amendments,
10 Article – Education
11 Section 10–101(a) and (m)
12 Annotated Code of Maryland
13 (2014 Replacement Volume and 2016 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Labor and Employment
16 Section 3–413
17 Annotated Code of Maryland
18 (2016 Replacement Volume)

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

21 **Article – Education**

22 10–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(a) In this division the following words have the meanings indicated.

(m) “Public senior higher education institution” means:

(1) The constituent institutions of the University System of Maryland and the University of Maryland Center for Environmental Science;

(2) Morgan State University; and

(3) St. Mary’s College of Maryland.

Article – Labor and Employment

3–413.

(a) In this section, “employer” includes a governmental unit.

(b) Except as provided in [subsection (d)] **SUBSECTIONS (C) AND (E)** of this section and § 3–414 of this subtitle, each employer shall pay:

(1) to each employee who is subject to both the federal Act and this subtitle, at least the greater of:

(i) the minimum wage for that employee under the federal Act; or

(ii) the State minimum wage rate set under subsection [(c)] **(D)** of this section; and

(2) **TO** each other employee who is subject to this subtitle, at least:

(i) the greater of:

1. the highest minimum wage under the federal Act; or

2. the State minimum wage rate set under subsection [(c)] **(D)** of this section; or

(ii) a training wage under regulations that the Commissioner adopts that include the conditions and limitations authorized under the federal Fair Labor Standards Amendments of 1989.

(c) **EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION AND § 3–414 OF THIS SUBTITLE, A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AS DEFINED IN § 10–101 OF THE EDUCATION ARTICLE SHALL PAY:**

(1) TO EACH EMPLOYEE WHO IS SUBJECT TO BOTH THE FEDERAL ACT AND THIS SUBTITLE, AT LEAST THE GREATER OF:

(I) THE MINIMUM WAGE FOR THAT EMPLOYEE UNDER THE FEDERAL ACT;

(II) THE STATE MINIMUM WAGE RATE SET UNDER SUBSECTION (D) OF THIS SECTION; OR

(III) THE MINIMUM WAGE RATE SET BY THE COUNTY IN WHICH THE EMPLOYEE'S PRINCIPAL PLACE OF EMPLOYMENT IS LOCATED; AND

(2) TO EACH OTHER EMPLOYEE WHO IS SUBJECT TO THIS SUBTITLE, AT LEAST:

(I) THE GREATER OF:

1. THE HIGHEST MINIMUM WAGE UNDER THE FEDERAL ACT;

2. THE STATE MINIMUM WAGE RATE SET UNDER SUBSECTION (D) OF THIS SECTION; OR

3. THE MINIMUM WAGE RATE SET BY THE COUNTY IN WHICH THE EMPLOYEE'S PRINCIPAL PLACE OF EMPLOYMENT IS LOCATED; OR

(II) A TRAINING WAGE UNDER REGULATIONS THAT THE COMMISSIONER ADOPTS THAT INCLUDE THE CONDITIONS AND LIMITATIONS AUTHORIZED UNDER THE FEDERAL FAIR LABOR STANDARDS AMENDMENTS OF 1989.

(D) The State minimum wage rate is:

(1) for the 6-month period beginning January 1, 2015, \$8.00 per hour;

(2) for the 12-month period beginning July 1, 2015, \$8.25 per hour;

(3) for the 12-month period beginning July 1, 2016, \$8.75 per hour;

(4) for the 12-month period beginning July 1, 2017, \$9.25 per hour; and

(5) beginning July 1, 2018, \$10.10 per hour.

1 **[(d)] (E)** (1) (i) Except as provided in paragraph (2) of this subsection and
2 subject to subparagraph (ii) of this paragraph, an employer may pay an employee a wage
3 that equals a rate of 85% of the State minimum wage established under this section if the
4 employee is under the age of 20 years.

5 (ii) An employer may pay to an employee the wage provided under
6 subparagraph (i) of this paragraph only for the first 6 months that the employee is
7 employed.

8 (2) (i) This paragraph applies only to an employer that is an
9 amusement or a recreational establishment, including a swimming pool, if the employer:

10 1. operates for no more than 7 months in a calendar year; or
11 2. for any 6 months during the preceding calendar year, has
12 average receipts that do not exceed one-third of the average receipts for the other 6 months.

13 (ii) An employer may pay an employee a wage that equals the
14 greater of:

15 1. 85% of the State minimum wage established under this
16 section; or
17 2. \$7.25.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
19 1, 2017.