

SENATE BILL 797

K3

EMERGENCY BILL
ENROLLED BILL

(8lr2956)

—Finance/Economic Matters—

Introduced by **Senators Astle and Kittleman**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Labor and Employment - Wage Payment on Termination of Employment -**
3 **Accrued Leave**

4 FOR the purpose of requiring that employers give certain notice of certain leave
5 benefits to employees; requiring specifying that an employer with a certain
6 written policy is not required to pay accrued leave to an employee on
7 termination of employment ~~only~~ under certain circumstances; providing for the
8 payment of accrued leave to an employee whose employment terminated during
9 a certain time period; providing for the application of this Act; making this Act
10 an emergency measure; and generally relating to the payment of wages upon
11 termination of employment.

12 BY repealing and reenacting, with amendments,
13 Article - Labor and Employment
14 Section ~~3-505~~ 3-504 and 3-505

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 Annotated Code of Maryland
2 (1999 Replacement Volume and 2007 Supplement)

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

5 **Article – Labor and Employment**

6 3–504.

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

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

9 (i) the rate of pay of the employee; [and]

10 (ii) the regular paydays that the employer sets; AND

11 (iii) **LEAVE BENEFITS;**

12 (2) for each pay period, a statement of the gross earnings of the
13 employee and deductions from those gross earnings; and

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

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

18 3–505.

19 (A) **[Each] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION,**
20 **EACH** employer shall pay an employee or the authorized representative of an
21 employee all wages due for work that the employee performed before the termination
22 of employment, on or before the day on which the employee would have been paid the
23 wages if the employment had not been terminated.

24 (B) ~~IF AN EMPLOYER HAS A WRITTEN POLICY REGARDING THE~~
25 ~~PAYMENT OF ACCRUED LEAVE TO AN EMPLOYEE AND THAT POLICY IS~~
26 ~~COMMUNICATED TO AN EMPLOYEE PRIOR TO THE TERMINATION OF~~
27 ~~EMPLOYMENT, THE AN EMPLOYER SHALL IS NOT REQUIRED TO PAY ACCRUED~~
28 ~~LEAVE TO AN EMPLOYEE ONLY IF:~~

29 (1) THE EMPLOYER HAS A WRITTEN POLICY THAT LIMITS THE
30 COMPENSATION OF ACCRUED LEAVE TO EMPLOYEES;

1 **(2) THE EMPLOYER NOTIFIED THE EMPLOYEE OF THE**
 2 **EMPLOYER'S LEAVE BENEFITS IN ACCORDANCE WITH § 3-504(A)(1) OF THIS**
 3 **SUBTITLE; AND**

4 **(3) THE EMPLOYEE IS *NOT* ENTITLED TO PAYMENT FOR ACCRUED**
 5 **LEAVE AT TERMINATION UNDER THE TERMS OF THE EMPLOYER'S WRITTEN**
 6 **POLICY.**

7 SECTION 2. AND BE IT FURTHER ENACTED, That, for an employee whose
 8 employment terminated on or after November 1, 2007, and before the effective date of
 9 this Act, if the employer of the employee had a written policy regarding the payment of
 10 accrued leave and, before termination of the employee's employment, communicated
 11 that policy to the employee, the employer is required to pay accrued leave to the
 12 employee only if the employee is entitled to the payment under the terms of the
 13 employer's written policy.

14 SECTION 3. AND BE IT FURTHER ENACTED, That this Act may not be
 15 applied to any case for which a final judgment has been rendered and for which all
 16 judicial appeals have been exhausted prior to the effective date of this Act.

17 SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act ~~shall take~~
 18 ~~effect October 1, 2008~~ is an emergency measure, is necessary for the immediate
 19 preservation of the public health or safety, has been passed by a yea and nay vote
 20 supported by three-fifths of all the members elected to each of the two Houses of the
 21 General Assembly, and shall take effect from the date it is enacted.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.