

(Senate Bill 247)

AN ACT concerning

Wage and Hour Law - Tips

FOR the purpose of changing the criteria for determining the wage of a tipped employee under the Wage and Hour Law; providing that the Law shall be applied only in certain instances; and changing the definition for "tipped employee".

BY repealing and reenacting, with amendments,

Article 100 - Work, Labor and Employment
Section 82(b) and (i)
Annotated Code of Maryland
(1964 Replacement Volume and 1978 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 100 - Work, Labor and Employment

82.

(b) "Wage" means compensation due to an employee by reason of his employment, payable in legal tender of the United States or checks on banks convertible into cash on demand at full face value, subject to such allowances as may be permitted by regulations of the Commissioner of Labor and Industry under § 85; provided that a "wage" paid to any employee includes the reasonable cost, as determined by the Commissioner, to the employer of furnishing such employee, with board, lodging, or other facilities as are customarily furnished by such employer to his employees: provided further that the cost of board, lodging or other facilities shall not be included as a part of the wage paid to any employee to the extent it is excluded therefrom under the terms of a bona fide collective-bargaining agreement applicable to the particular employee: and provided further, that the Commissioner is authorized to determine the fair value of such board, lodging or other facilities for defined classes of employees and in defined areas, based on average cost to the employer or to groups of employers similarly situated, or average value to groups of employees, or other appropriate measures of fair value. Such evaluations, where applicable and pertinent, shall be used in lieu of actual measure of cost in determining the wage paid to any employee. In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of [50 per centum] 45 PERCENT, AND BEGINNING JANUARY 1, 1980, 40 PERCENT, of the applicable minimum wage rate,