COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2023 Legislative Session

Bill No.   CB-098-2023

Chapter No.

Proposed and Presented by   Council Members Burroughs Oriadha, Blegay, Hawkins, Watson and Harrison

Introduced by

Co-Sponsors

Date of Introduction

BILL

1   AN ACT concerning

2   **LABOR – Minimum Wage for Tipped Employees**

3   For the purpose of modifying the amount of the tip credit an employer can use to calculate the

4   minimum wage for a tipped employee working the County; require an employer to submit

5   quarterly wage reports; and generally, amend the law governing the minimum wage for a tipped

6   employee working in the County.

7   BY repealing and reenacting with amendments:

8   SUBTITLE 13A. LABOR CODE

9   Section 13A-117

10   The Prince George's County Code

11   (2019 Edition; 2021 Supplement).

12   SECTION 1. BE IT ENACTED by the County Council of Prince George's County,

13   Maryland, that Section 13A-117 of the Prince George's County Code be and the same is hereby

14   repealed and reenacted with the following amendments:

15   **SUBTITLE 13A. LABOR CODE.**

16   **DIVISION 2. MINIMUM WAGE.**

17   **Sec. 13A-117. Payment of minimum wage required.**

18   (a) Except as provided in the Maryland Wage and Hour Law, as of October 1, 2014, the

19   minimum wage required to be paid to any employee by any employer in Prince

20   George's County shall be $8.40 per hour, or the minimum wage pursuant to the

1 Maryland Wage and Hour Law or the Fair Labor Standards Act, whichever is greater.

2 The term "employer" includes a person who acts directly or indirectly in the interest of

3 another employer with an employee and includes a governmental unit.

4 *   *   *   *   *   *   *   *   *

5 (f) Tipped Employees [wages]. [The computation of tipped wages for the minimum wage

6 required under this Section shall be the same as the manner of computation of tipped

7 wages in Section 3-419, Labor and Employment Article, Annotated Code of Maryland

8 (the Maryland Wage and Hour Law).]

9 (1) *Definition*. As used in this section, Tipped Employee shall mean:

10 (A) an employee who:

11 (i) is engaged in an occupation in which the employee customarily and regularly

12 receives more than Thirty Dollars ($30.00) each month in tips;

13 (ii) has been informed by the employer about the provisions of this Section; and

14 (iii) has kept all of the tips received by the employee.

15 (B) Notwithstanding paragraph (A)(iii), this Section does not prohibit the pooling of

16 tips.

17 (2) *Computation of wage*. Except as provided in subsection (3) of this Section, an

18 employer may include as part of the wage of a tipped employee:

19 (A) an amount that the employer sets to represent the tips of the employee; or

20 (B) if the employee or representative of the employee satisfies the Maryland

21 Department of Labor, Division of Labor and Industry Commissioner that the

22 employee received a lesser amount in tips, the lesser amount.

23 (3) *Tip Credit: Limit and Phase Out*.

24 (A) The tip credit amount that an employer may include under subsection (2) must not

25 exceed the County minimum wage less:

26 1) Three dollars and Sixty-Three cents ($3.63) per hour, until July 1, 2024;

27 2) Seven dollars ($7.00) per hour, effective July 1, 2024 until June 30, 2025;

28 3) Nine dollars ($9.00) per hour, effective July 1, 2025 until June 30, 2026;

29 4) Eleven dollars ($11.00) per hour, effective July 1, 2026 until June 30, 2027;

30 5) Thirteen dollars ($13.00) per hour, effective July 1, 2027 until June 30, 2028.

31 (B) Effective July 1, 2028, an employer:

1   1) <u>Shall not include any tip credit amount under subsection (2); and</u>

2   2) <u>Shall pay a tipped employee in accordance with Section 13A-117(d) of this</u>

3   <u>Code.</u>

4 *(g)*   <u>Enforcement. Any covered employee who was paid a wage rate less than the County</u>

5   <u>minimum wage in violation of this Subdivision may file a complaint with the Office of</u>

6   <u>Human Rights pursuant to Subtitle 2, Division 12 – Office of Human Rights of this Code.</u>

7 *   *   *   *   *   *   *   *   *

8   SECTION 2. BE IT FURTHER ENACTED that the provisions of this Act are hereby

9 declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph,

10 sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of

11 competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining

12 words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this

13 Act, since the same would have been enacted without the incorporation in this Act of any such

14 invalid or unconstitutional word, phrase, clause, sentence, paragraph, subparagraph, subsection,

15 or section.

16   SECTION 3. BE IT FURTHER ENACTED that this Act shall take effect on forty-five (45)

17 calendar days after it becomes law.

Adopted this _____ day of _____ , 2023.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Thomas E. Dernoga
Chair

ATTEST:

_____
Donna J. Brown
Clerk of the Council

APPROVED:

DATE: _____   BY: _____
Angela D. Alsobrooks
County Executive

KEY:
Underscoring indicates language added to existing law.
[Brackets] indicate language deleted from existing law.
Asterisks *** indicate intervening existing Code provisions that remain unchanged.

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