Your Guide to Maryland Wage Transparency and Paystub Notice Laws Effective Oct. 1, 2024

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Pay Equity Wage and Hour The Maryland Department of Labor (MDDOL) has issued FAQs and template forms that are deemed to comply with the employer mandates of the Maryland Wage Transparency Law and the Paystub Notice Requirement. The laws are scheduled to go into effect Oct. 1, 2024.

Wage Transparency Law

Maryland's Wage Transparency Law requires all employers — both public and private — to disclose in both internal and external job postings, including those posted through third parties:

- Wage ranges (including the minimum and maximum wage);
- A general description of benefits; and
- Any additional compensation.

If this information is not included in the original job posting, it must be disclosed to the applicant before any discussions about compensation and at any time upon the applicant's request.

This requirement applies to work that is physically performed, "at least in part," in Maryland. According to MDDOL, this includes jobs seeking workers in Maryland for remote work, although the company may be headquartered outside of Maryland.

Additionally, employers must retain records demonstrating compliance with the law for at least three years from the date the position is filled, or if it remains unfilled, from the date the job posting was initially made. The records must include wages, job classifications, and other conditions of employment.

The MDDOL has issued <u>FAQs</u> regarding the interpretation of the law. In addition, the MDDOL released a <u>model wage disclosure form</u> and related <u>instructions</u>. Use of this template is voluntary. The MDDOL will consider use of its template to comply with the law. It has also stated that employers may use more narrative forms and provided an <u>example</u>.

Paystub Notice Requirement

Maryland has long required employers to provide notice of the rate of pay, paydays, and leave benefits at the time of hire. Maryland employers must provide a paystub reflecting the employee's gross earnings and deductions (sick and safe leave balances also are required each time wages are paid, although they need not be on the pay stub). As of Oct. 1, 2024, the rate of pay, paydays, and leave benefits must be provided *in writing* at the time of hire, and the paystub may be written or online.

In addition, the information provided to employees on the written or online paystub is expanded to include:

- Employer's name (as registered with the State of Maryland), address, and telephone number;
- Date of payment;
- Beginning and ending dates of the pay period;
- Number of hours worked during the pay period (unless the employee is exempt from federal and state overtime requirements);
- All rates of pay;
- Additional bases and amounts of pay, including bonuses, commissions on sales, or other bases; and
- Applicable piece rates of pay and the number of pieces completed at each piece rate for each employee paid at a piece rate;
- · Gross and net pay earned during the pay period; and
- Amount and description of each deduction made from pay.

The MDDOL has provided <u>FAQs</u> regarding this law as well. The MDDOL has also provided a <u>Pay Stub Template</u>, which employers are not required to use but use of the template will be deemed to comply with the law. It has also released <u>instructions</u> for the template.

If you have any questions or need assistance, please contact a Jackson Lewis attorney.

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