

Maryland

Equal Pay for Equal Work

(Labor and Employment Article Title 3, Subtitle 3)

§3–301.

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

(b)(1) “Employer” means:

- (i) a person engaged in a business, industry, profession, trade, or other enterprise in the State;
- (ii) the State and its units;
- (iii) a county and its units; and
- (iv) a municipal government in the State.

(2) “Employer” includes a person who acts directly or indirectly in the interest of another employer with an employee.

(c) “Gender identity” has the meaning stated in § 20–101 of the State Government Article.

(d)(1) “Wage” means all compensation for employment.

(2) “Wage” includes board, lodging, or other advantage provided to an employee for the convenience of the employer.

§3–302.

This subtitle applies to an employer of both men and women in a lawful enterprise.

§3–303.

In addition to any powers set forth elsewhere, the Commissioner may:

(1) use informal methods of conference, conciliation, and persuasion to eliminate pay practices that are unlawful under this subtitle; and

(2) supervise the payment of a wage owing to an employee under this subtitle.

§3–304.

(a) In this section, “providing less favorable employment opportunities” means:

(1) assigning or directing the employee into a less favorable career track, if career tracks are offered, or position;

(2) failing to provide information about promotions or advancement in the full range of career tracks offered by the employer; or

(3) limiting or depriving an employee of employment opportunities that would otherwise be available to the employee but for the employee’s sex or gender identity.

(b)(1) An employer may not discriminate between employees in any occupation by:

(i) paying a wage to employees of one sex or gender identity at a rate less than the rate paid to employees of another sex or gender identity if both employees work in the same establishment and perform work of comparable character or work on the same operation, in the same business, or of the same type; or

(ii) providing less favorable employment opportunities based on sex or gender identity.

(2) For purposes of paragraph (1)(i) of this subsection, an employee shall be deemed to work at the same establishment as another employee if the employees work for the same employer at workplaces located in the same county of the State.

(c) Except as provided in subsection (d) of this section, subsection (b) of this section does not prohibit a variation in a wage that is based on:

(1) a seniority system that does not discriminate on the basis of sex or gender identity;

(2) a merit increase system that does not discriminate on the basis of sex or gender identity;

(3) jobs that require different abilities or skills;

(4) jobs that require the regular performance of different duties or services;

(5) work that is performed on different shifts or at different times of day;

(6) a system that measures performance based on a quality or quantity of production; or

(7) a bona fide factor other than sex or gender identity, including education, training, or experience, in which the factor:

(i) is not based on or derived from a gender-based differential in compensation;

(ii) is job related with respect to the position and consistent with a business necessity; and

(iii) accounts for the entire differential.

(d) This section does not preclude an employee from demonstrating that an employer’s reliance on an exception listed in subsection (c) of this section is a pretext for discrimination on the basis of sex or gender identity.

(e) An employer who is paying a wage in violation of this subtitle may not reduce another wage to comply with this subtitle.

§3–304.1.

(a) An employer may not:

(1) prohibit an employee from:

(i) inquiring about, discussing, or disclosing the wages of the employee or another employee; or
(ii) requesting that the employer provide a reason for why the employee's wages are a condition of employment;

(2) require an employee to sign a waiver or any other document that purports to deny the employee the right to disclose or discuss the employee's wages; or

(3) take any adverse employment action against an employee for:

- (i) inquiring about the employee's wages or another employee's wages;
- (ii) disclosing the employee's own wages;
- (iii) discussing another employee's wages if those wages have been disclosed voluntarily;
- (iv) asking the employer to provide a reason for the employee's wages; or
- (v) aiding or encouraging another employee's exercise of rights under this section.

(b)(1) Subject to paragraph (2) of this subsection, an employer may, in a written policy provided to each employee, establish reasonable workday limitations on the time, place, and manner for inquiries about or the discussion or disclosure of employee wages.

(2) A limitation established under paragraph (1) of this subsection shall be consistent with standards adopted by the Commissioner and all other State and federal laws.

(3) Subject to subsection (d) of this section, limitations established under paragraph (1) of this subsection may include prohibiting an employee from discussing or disclosing the wages of another employee without that employee's prior permission.

(c) Except as provided in subsection (d) of this section, the failure of an employee to adhere to a reasonable limitation included in a written policy under subsection (b) of this section shall be an affirmative defense to a claim made against an employer by the employee under this section if the adverse employment action taken by the employer was for a failure to adhere to the reasonable limitation and not for an inquiry, a discussion, or a disclosure of wages in accordance with the limitation.

(d) (1) A prohibition established in accordance with subsection (b)(3) of this section against the discussion or disclosure of the wages of another employee without that employee's prior permission may not apply to instances in which an employee who has access to the wage information of other employees as a part of the employee's essential job functions if the discussion or disclosure is in response to a complaint or charge or in furtherance of an investigation, a proceeding, a hearing, or an action under this subtitle, including an investigation conducted by the employer.

(2) If an employee who has access to wage information as part of the essential functions of the employee's job discloses the employee's own wages or wage information about another employee obtained outside the performance of the essential functions of the employee's job, the employee shall be entitled to all the protections afforded under this subtitle.

(e) Nothing in this section shall be construed to:

- (1) require an employee to disclose the employee's wages;
- (2) diminish employees' rights to negotiate the terms and conditions of employment under federal, State, or local law;
- (3) limit the rights of an employee provided under any other provision of law or collective bargaining agreement;
- (4) create an obligation on any employer or employee to disclose wages;
- (5) permit an employee, without the written consent of an employer, to disclose proprietary information, trade secret information, or information that is otherwise subject to a legal privilege or protected by law; or
- (6) permit an employee to disclose wage information to a competitor of the employer.

§3-304.2

(A) On request, an employer shall provide to an applicant for employment the wage range for the position for which the applicant applied.

(B) (1) An employer may not:

(I) Retaliate against or refuse to interview, hire, or employ an applicant for employment because the applicant:

- 1. Did not provide wage history; or
- 2. Requested the wage range in accordance with this section for the position for which the applicant applied;

and

(II) Except as provided in paragraph (2) of this subsection:

1. Rely on the wage history of an applicant for employment in screening or considering the applicant for employment or in determining the wages for the applicant; or

2. Seek the wage history for an applicant for employment orally, in writing, or through an employee or an agent or from a current or former employer.

(2) After an employer makes an initial offer of employment with an offer of compensation to an applicant for employment, an employer may:

(I) Subject to paragraph (3) of this subsection, rely on the wage history voluntarily provided by the applicant for employment to support a wage offer higher than the initial wage offered by the employer: or

(II) Seek to confirm the wage history voluntarily provided by the applicant for employment to support a wage offer higher than the initial wage offered by the employer.

(3) An employer may rely on wage history under paragraph (2) of this subsection only if the higher wage does not create an unlawful pay differential based on protected characteristics under §3-304 of this subtitle.

(C) This section may not be construed to prohibit an applicant for employment from sharing wage history with an employer voluntarily.

§3-305.

(a) (1) Each employer shall keep each record that the Commissioner requires on:

- (i) wages of employees;
- (ii) job classifications of employees; and
- (iii) other conditions of employment.

(2) An employer shall keep the records required under this subsection for the period of time that the Commissioner requires.

(b) On the basis of the records required under this section, an employer shall make each report that the Commissioner requires.

§3-306.

(a) On request of an employer, the Commissioner shall provide without charge a copy of this subtitle to the employer.

(b) Each employer shall keep posted conspicuously in each place of employment a copy of this subtitle.

(c) The Commissioner, in consultation with the Maryland Commission on Civil Rights, shall develop educational materials and make training available to assist employers in adopting training, policies, and procedures that comply with the requirements of this subtitle.

§3-306.1.

(a) Whenever the Commissioner determines that this subtitle has been violated, the Commissioner shall:

- (1) try to resolve any issue involved in the violation informally by mediation; or
- (2) ask the Attorney General to bring an action on behalf of the applicant or employee.

(b) The Attorney General may bring an action under this section in the county where the violation allegedly occurred for injunctive relief, damages, or other relief.

§3-307.

(a)(1) If an employer knew or reasonably should have known that the employer's action violates § 3-304 of this subtitle, an affected employee may bring an action against the employer for injunctive relief and to recover the difference between the wages paid to employees of one sex or gender identity and the wages paid to employees of another sex or gender identity who do the same type work and an additional equal amount as liquidated damages.

(2) If an employer knew or reasonably should have known that the employer's action violates § 3-304.1 of this subtitle, an affected employee may bring an action against the employer for injunctive relief and to recover actual damages and an additional equal amount as liquidated damages.

(3) An employee may bring an action on behalf of the employee and other employees similarly affected.

(b) On the written request of an employee who is entitled to bring an action under this section, the Commissioner may:

(1) take an assignment of the claim in trust for the employee;

(2) ask the Attorney General to bring an action in accordance with this section on behalf of the employee; and

(3) consolidate 2 or more claims against an employer.

(c) An action under this section shall be filed within 3 years after the employee receives from the employer the wages paid on the termination of employment under § 3-505(a) of this title.

(d) The agreement of an employee to work for less than the wage to which the employee is entitled under this subtitle is not a defense to an action under this section.

(e) If a court determines that an employee is entitled to judgment in an action under this section, the court shall allow against the employer reasonable counsel fees and other costs of the action, as well as prejudgment interest in accordance with the Maryland Rules.

§3-308.

(a) An employer may not:

(1) willfully violate any provision of this subtitle;

(2) hinder, delay, or otherwise interfere with the Commissioner or an authorized representative of the Commissioner in the enforcement of this subtitle;

(3) refuse entry to the Commissioner or an authorized representative of the Commissioner into a place of employment that the Commissioner is authorized under this subtitle to inspect;

(4) discharge or otherwise discriminate against an employee or applicant for employment because the employee or applicant for employment:

- (i) makes a complaint to the employer, the Commissioner, or another person;
 - (ii) brings an action under this subtitle or a proceeding that relates to the subject of this subtitle or causes the action or proceeding to be brought; or
 - (iii) has testified or will testify in an action under this subtitle or a proceeding that relates to the subject of this subtitle; or
- (5) Violate §3-304.2 of this subtitle.
- (b) An employee or an applicant for employment may not:
- (1) make a groundless or malicious complaint to the Commissioner or an authorized representative of the Commissioner;
 - (2) in bad faith, bring an action under this subtitle;
 - (3) in bad faith, bring a proceeding that relates to the subject of this subtitle; or
 - (4) in bad faith, testify in an action under this subtitle or a proceeding that relates to the subject of this subtitle.
- (c) The Commissioner may bring an action for injunctive relief and damages against a person who violates subsection (a)(1), (4), or subsection (b)(1), (3), or (4) of this section.
- (d) (1) Except as provided in paragraph (2) of this subsection, an employer who violates any provision of subsection (a)(2) or (3) of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$300.
- (2) (i) This paragraph does not apply to a violation of §304.2.
 - (ii) If an employer is found to have violated this subtitle two or more times within a 3-year period, the Commissioner or a court may require the employer to pay a civil penalty equal to 10% of the amount of damages owed by the employer.
 - (iii) Each civil penalty assessed under this paragraph shall be paid to the General Fund of the State to offset the cost of enforcing this subtitle.
- (E) (1) If the Commissioner determines that an employer has violated §3-304.2 of this subtitle, the Commissioner:
- (I) shall issue an order compelling compliance; and
 - (II) may, in the Commissioner's discretion,
 - 1. for a first violation, issue a letter to the employer compelling compliance;
 - 2. for a second violation, assess a civil penalty of up to \$300 for each applicant for employment for whom the employer is not in compliance; or
 - 3. for each subsequent violation, assess a civil penalty of up to \$600 for each applicant for employment for whom the employer is not in compliance if the violation occurred within 3 years after a previous determination that a violation had occurred.
- (2) In determining the amount of the penalty, if assessed, the Commissioner shall consider:
- (I) the gravity of the violation'
 - (II) the size of the employer's business;
 - (III) the employer's good faith; and
 - (IV) the employer's history of violations under this subtitle.
- (3) If the Commissioner assesses a penalty under paragraph (1)(II) of this subsection, the penalty shall be subject to the notice and hearing requirements of Title 10, Subtitle 2 of the State Government Article.

For additional information or to file a complaint, please contact:

FOR MORE INFORMATION CONTACT:
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