# AMENDMENTS TO COUNCIL BILL 16-0655 (First Reader Copy)

APPROVED FOR FORM

STYLE, AND TEXTUAL SUPPLENCY

DEP'T LEGISLATIVE REFERENCE

By: The Labor Committee {To be offered on the Council Floor}

## Amendment No. 1

On page 3, after line 16, insert:

- "(IV) PERSONS EXEMPT FROM THE MAXIMUM HOUR REQUIREMENTS UNDER §213(B)(1) OF THE FAIR LABOR STANDARDS ACT (29 USC §§201 219);
- (V) OWNER OPERATORS OF A CLASS F (TRACTOR), DESCRIBED IN § 13-923 OF THE MARYLAND TRANSPORTATION ARTICLE; OR A CLASS E (TRUCK) VEHICLE, AS DESCRIBED IN § 13-916 OF THE MARYLAND TRANSPORTATION ARTICLE, INCLUDING A CLASS E (TRUCK) VEHICLE DESCRIBED IN § 13-919 OF THE MARYLAND TRANSPORTATION ARTICLE IF:
  - (A) THE OWNER OPERATOR AND A MOTOR CARRIER HAVE ENTERED INTO A

    WRITTEN AGREEMENT THAT IS CURRENTLY IN EFFECT FOR PERMANENT OR TRIP
    LEASING:

## (B) UNDER THE AGREEMENT:



- 1. THERE IS NO INTENT TO CREATE AN EMPLOYER-EMPLOYEE RELATIONSHIP: AND
- 2. THE OWNER OPERATOR IS PAID RENTAL COMPENSATION;
- (C) FOR FEDERAL TAX PURPOSES, THE OWNER OPERATOR QUALIFIES AS AN INDEPENDENT CONTRACTOR; AND

#### (D) THE OWNER OPERATOR:

- 1. OWNS THE VEHICLE OR HOLDS IT UNDER A BONA FIDE LEASE ARRANGEMENT;
- 2. IS RESPONSIBLE FOR THE MAINTENANCE OF THE VEHICLE;
- 3. BEARS THE PRINCIPAL BURDEN OF THE OPERATING COSTS OF THE VEHICLE,

INCLUDING FUEL, REPAIRS, SUPPLIES, VEHICLE INSURANCE, AND PERSONAL EXPENSES WHILE THE VEHICLE IS ON THE ROAD;

- 4. IS RESPONSIBLE FOR SUPPLYING THE NECESSARY PERSONNEL IN CONNECTION WITH THE OPERATION OF THE VEHICLE; AND
- 5. GENERALLY DETERMINES THE DETAILS AND MEANS OF PERFORMING THE SERVICES UNDER THE AGREEMENT, IN CONFORMANCE WITH REGULATORY REQUIREMENTS, OPERATING PROCEDURES OF THE MOTOR CARRIER, AND SPECIFICATIONS OF THE SHIPPER.".

## Amendment No. 2

On page 1, in line 3, strike "2021" and substitute "2023"; and, on that same page, in line 4, strike "2021" and substitute "2023"; and, on page 8, strike lines 23 through 27 in their entireties, and substitute:

- "(2) STARTING JULY 1, 2017, \$9.50;
- (3) STARTING JULY 1, 2018, \$10.50;
- (4) STARTING JULY 1, 2019, \$11.50;
- (5) STARTING JULY 1, 2020, \$12.50;
- (6) STARTING JULY 1, 2021, \$13.50;
- (7) STARTING JULY 1, 2022, \$15.00; AND" and;

on that same page, in line 28, strike "(7)" and substitute "(8)"; and, in that same line, strike "2021" and substitute "2023"; and, on page 9, in line 2, strike "2021" and substitute "2023".

#### Amendment No. 3

On page 1, in line 7, strike "2025" and substitute "2021"; and, on that same page, in line 8, strike "eliminating the lower tipped minimum wage rate from 2025 onward" and substitute "setting the formula to determine Baltimore City's tipped minimum wage rate from 2021 onward"; and, on page 11, in line 7, strike "(1) UNTIL JULY 1, 2025, AN" and substitute "AN"; and on that same page, strike lines 15 and 16 in their entireties; and, on that same page, in line 23, strike "JANUARY 1, 2017" and substitute "JULY 1, 2018"; and, strike lines 27 through 32 on page 11 and 1 through 6 on page 12 in their entireties, and substitute:

"(2) STARTING JULY 1, 2018, \$3.89;

- (3) STARTING JULY 1, 2019, \$4.45:
- (4) STARTING JULY 1, 2020, \$5.00;
- (5) FOR THE 12-MONTH PERIOD BEGINNING JULY 1, 2021, AND EACH SUBSEQUENT

  12-MONTH PERIOD, THE MINIMUM WAGE WILL BE SET IN ACCORDANCE WITH § 3-1 (C)

  {"MINIMUM WAGE REQUIRED: ANNUAL COST OF LIVING ADJUSTMENT"} OF THIS

  DIVISION I.".

## Amendment No. 4

On page 1, in line 4, after "onward;" insert "creating certain exceptions:"; and, on page 2, in line 3, strike "and" and substitute a comma; and, in that same line, after "2-9", insert ". 3-2A"; and, on page 9, strike lines 26 through 29 in their entireties; and, on that same page, in line 30, strike "(F)" and substitute "(E)"; and, on page 12, after line 14, insert:

## "§ 3-2A. EXCEPTIONS – MISCELLANEOUS.

## (A) YOUTH JOB PROGRAMS.

YOUTH PARTICIPANTS IN THE CITY'S YOUTHWORKS SUMMER JOBS PROGRAM, THE CITY'S HIRE ONE YOUTH PROGRAM, OR ANY OTHER CITY SPONSORED YOUTH JOB PROGRAM ARE EXEMPT FROM THE MINIMUM WAGE REQUIREMENTS OF THIS DIVISION I.

#### (B) FULL-TIME STUDENTS.

- (1) ANY EMPLOYEE WHO IS A FULL-TIME STUDENT IN A PRIMARY OR MIDDLE SCHOOL, AS DEFINED BY THE WAGE COMMISSION IN THE RULES AND REGULATIONS AUTHORIZED BY § 2-6 {"RULES AND REGULATIONS"} OF THIS DIVISION I:
  - (I) MAY BE PAID THE APPLICABLE MARYLAND OR FEDERAL MINIMUM WAGE, WHICHEVER IS HIGHER; AND
  - (II) IS EXEMPT FROM THE MINIMUM WAGE REQUIREMENTS OF THIS DIVISION  $I_{\cdot}$
- (2) ANY EMPLOYEE WHO IS A FULL-TIME STUDENT IN A SECONDARY SCHOOL, AS DEFINED BY THE WAGE COMMISSION IN THE RULES AND REGULATIONS AUTHORIZED BY § 2-6 {"RULES AND REGULATIONS"} OF THIS DIVISION I, MAY BE PAID 85% OF THE MINIMUM WAGE SET BY § 3-1 {"MINIMUM WAGE REQUIRED"} OF THIS SUBTITLE.

- (3) STUDENTS EARNING A LOWER WAGE AUTHORIZED BY THIS SUBSECTION MAY NOT BE EMPLOYED FOR MORE THAN 28 HOURS PER WEEK WHILE ATTENDING SCHOOL.
- (4) It is a violation of this Division I for any employer to employ a full-time student for more than 28 hours per week at a lower wage authorized by this subsection while school is in session.

## (C) WORK-STUDY PROGRAMS AND INTERNSHIPS.

- (1) STUDENTS ENROLLED IN A WAGE COMMISSION APPROVED WORK-STUDY PROGRAM ARE EXEMPT FROM THE LIMITATIONS OF SUBSECTION (A) OF THIS SECTION AND FROM THE MINIMUM WAGE REQUIREMENTS OF THIS DIVISION I.
- (2) INTERNS ARE EXEMPT FROM THE LIMITATIONS OF SUBSECTION (A) OF THIS SECTION AND FROM THE MINIMUM WAGE REQUIREMENTS OF THIS DIVISION I IF:
  - (I) THE INTERNSHIP, EVEN THOUGH IT INCLUDES ACTUAL OPERATION OF THE FACILITIES OF THE EMPLOYER, IS SIMILAR TO TRAINING WHICH WOULD BE GIVEN IN AN EDUCATIONAL ENVIRONMENT;
  - (II) THE INTERNSHIP EXPERIENCE IS FOR THE BENEFIT OF THE INTERN;
  - (III) THE INTERN DOES NOT DISPLACE REGULAR EMPLOYEES, BUT WORKS UNDER CLOSE SUPERVISION OF EXISTING STAFF;
  - (IV) THE EMPLOYER THAT PROVIDES THE TRAINING DERIVES NO IMMEDIATE
    ADVANTAGE FROM THE ACTIVITIES OF THE INTERN; AND ON OCCASION
    ITS OPERATIONS MAY ACTUALLY BE IMPEDED; AND
  - (V) THE INTERN IS NOT NECESSARILY ENTITLED TO A JOB AT THE CONCLUSION OF THE INTERNSHIP.

#### (D) EMPLOYEES WITH DISABILITIES.

THE WAGE COMMISSION MUST RECOGNIZE CERTIFICATES ISSUED BY THE UNITED STATES DEPARTMENT OF LABOR OR THE STATE OF MARYLAND FOR PAYMENT OF LESS THAN THE MINIMUM WAGE TO PERSONS WITH DISABILITIES.

## (E) MARYLAND ZOO IN BALTIMORE.

EMPLOYEES OF THE MARYLAND ZOO IN BALTIMORE ARE EXEMPT FROM THE MINIMUM WAGE REQUIREMENTS OF THIS DIVISION I FOR THE DURATION OF THE

## LEASE BETWEEN THE CITY OF BALTIMORE AND THE STATE OF MARYLAND APPROVED BY THE BOARD OF ESTIMATES ON JULY 8. 1992.".

#### Amendment No. 5

On page 2, in line 3, after "2-9", insert ", and 3-2B"; and, on page 12, before line 15, insert:

## "§ 3-2B. EXCEPTION – SMALL BUSINESSES.

#### (A) IN GENERAL.

THE REQUIREMENTS OF §§ 3-1 {"MINIMUM WAGE REQUIRED"} AND 3-2 {"EXCEPTION – TIPPED EMPLOYEES"} OF THIS SUBTITLE DO NOT APPLY TO A SMALL BUSINESS THAT HAS:

- (1) AN ANNUAL GROSS INCOME OF \$500,000 OR LESS; OR
- (2) FEWER THAN 25 EMPLOYEES.
- (B) EXCEPTION NOT APPLICABLE TO CHAINS.

SUBSECTION (A) OF THIS SECTION DOES NOT APPLY TO ANY BUSINESS THAT IS PART OF A CHAIN OF ESTABLISHMENTS OPERATING UNDER THE SAME BRAND NAME THAT IS:

- (1) AN INTEGRATED ENTERPRISE WHICH OWNS OR OPERATES 2 OR MORE ESTABLISHMENTS NATIONALLY; OR
- (2) AN ESTABLISHMENT OPERATED PURSUANT TO A FRANCHISE WHERE THE FRANCHISOR AND THE FRANCHISEES OWN OR OPERATE 2 OR MORE ESTABLISHMENTS NATIONALLY.".

## Amendment No. 6

On page 15, in lines 14 and 15, strike ", request an administrative hearing, or initiate a civil action under this Division I" and substitute "<u>The Complaint under § 4-6</u> {"Probable cause conference; settlement agreement"} of this subtitle, dismiss the complaint under § 4-5(b) {"Finding of Probable Cause: Probable cause not found"} of this subtitle, or issue a final order under § 4-7 {"Final order"} of this subtitle".