

FROM	NAME & TITLE	Sheldon Shugarman, Executive Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Wage Commission 4 S. Frederick Street, Suite 100		
	SUBJECT	COUNCIL BILL 08-0145		

DATE: August 14, 2008

TO The Honorable Stephanie Rawlings-Blake
and Members of the Baltimore City Council
Attn: Karen Randle,
Room 400, City Hall
100 N. Holliday Street

Recommended Position:

The Wage Commission supports the City of Baltimore Council Bill 08-0145. The schedule of fines in the Minimum Wage Law has not been revised since 1978, and is long overdue. Since the fines are applied for each payroll period that an employee is underpaid, not paid or not paid overtime, the accumulated fine can add up to an amount that an employer would consider significant and not want to ignore. See Art. 11, 3-1 (b) and 3-4 (b).

The Wage Commission believes that the new Minimum Wage fine schedule, starting at \$250.00 will be a better deterrent to underpayment of wages by employers.

Since most Minimum Wage cases are settled prior to imposing fines, the additional revenue gained by the Agency's enforcement of the law will be negligible.

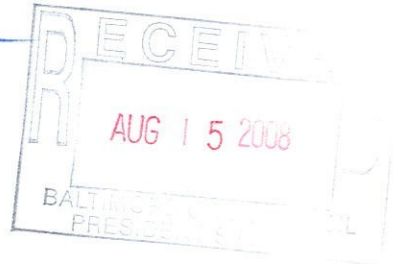
Eliminating items Art. 5, Sub 25-11, (2) and Sub 26-11, (2) and modifying the wording in (1), will clarify the existing practice of fining each and every City contractor and sub-contractor for submitting late payrolls. One distinction is made between Subtitle 25 and Subtitle 26. Only in Subtitle 25, 25-10, are payrolls required to be submitted weekly, thus the word "weekly" should not be deleted in 25-11 (b) Fines.

No conflicts exist between State or Federal law or regulations.

PROPOSED AMENDMENT TO C.C. 08-0145. Do not delete the word "weekly" in Art 5, Sub 25, 25-11 (b) Fines.

Thank you for your consideration.


Sheldon Shugarman
Executive Director



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