

## Senate Bill 224

Date: February 10, 2022

Committee: Senate Finance

Bill Title: Labor and Employment - Employment Standards and Conditions - Definition of Employer

RE: **Letter of Information**

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SB0224 changes the definition of employer for Subtitle 5 of Title 3. Employment Standards and Conditions in the Labor and Employment Article to include “a person that acts directly or indirectly in the interest of another employer with an employee”, known as a “joint employer”. The Department supports the clarification of the joint employer definition for Subtitle 5, the Wage Payment and Collection law (as stated in the preamble to the bill). Prior case law extended the concept of joint employer into Subtitle 5, and this bill will clarify what is already established by adding it into the definition section of Subtitle 5.

The Department had concerns that this legislation could create confusion by extending the joint employer definition to other parts of Title 3. However, it is our understanding that the Bill Sponsor intends to submit a sponsor amendment that would limit the definition change to just subtitle 5. With this amendment, the Department would no longer have concerns with the impact of this legislation.