

Division of Labor & Industry 1100 North Eutaw Street, Room 600 Baltimore, MD 21201

The Honorable Delores Kelley Chair, Senate Finance Committee

Miller Senate Office Building, 3 East Annapolis, MD 21401-1991 The Honorable Shane Pendergrass Chair, House Health and Government Operations Committee House Office Building, Room 241 Annapolis, MD 21401-1991

RE: Chapter 775, Section 2 of the Acts of 2021 (House Bill 652 / Senate Bill 384)

Dear Chairs Kelley and Pendergrass

Chapter 775, Section 2 of the Acts of 2021 (the Act) (House Bill 652/Senate Bill 384) requests that the Maryland Department of Labor report to the Senate Finance Committee and the House Health and Government Operations Committee on the strategies undertaken by the Commissioner of Labor and Industry to educate residential service agencies, as well as workers, on understanding the laws governing the classification of independent contractors and employees, including the different tests used by State agencies in determining whether a worker is an independent contractor or an employee. The Act requires that this report be provided by November 1, 2021. The Act also requires the Office of the Attorney General, in consultation with the Department of Health and the Department of Labor, to produce a guidance document concerning the application of employee protection laws in the Labor & Employment Article to the use of personal care aides by residential service agencies. However, the deadline set forth in the law for producing this guidance document is December 30, 2021. Accordingly, the Commissioner of Labor and Industry does not have a guidance document available at this time to assist in educating the residential service agencies and the workers.

It is the Department's understanding that the guidance document will be ready by December 30, 2021. Once the guidance document is available, the Department will include the information as part of the monthly training and webinar sessions that it conducts on wage and hour issues and worker classification. Additionally, the Department will provide a link on the website to the guidance document.

If you have additional questions, please contact Andrew Fulginiti, Legislative Director for the Department of Labor, at <u>Andrew.Fulginiti@maryland.gov</u> or (443) 401-5129

Sincerely,

Matthew Helminiak Commissioner of Labor & Industry

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