

# Employee-Friendly Changes to Maryland Law to go into Effect on October 1, 2019

By [Jessica L. Westerman](#)  
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At the end of its most recent legislative session, the Maryland General Assembly passed a suite of bills aimed at promoting gender diversity and equal pay in the workplace and strengthening protections against workplace harassment under the state's existing antidiscrimination law, the Maryland Fair Employment Practices Act (FEPA). Maryland Governor Larry Hogan signed most of these bills into law in late April and early May of 2019. These [employee-friendly changes](#) are slated to take effect on October 1, 2019.

## Changes to Maryland's Workplace Harassment Laws

On April 3, 2019, the General Assembly passed amendments to FEPA relating to [workplace harassment prohibitions, liability, enforcement, and prevention training](#). Perhaps most significantly, the amendments impose strict liability on employers for harassment committed by an employee's supervisor. The amendments define "supervisor" broadly to include anyone who "directs, supervises, or evaluates" the employee's work. This important change eliminates an employer's ability to defeat a harassment claim simply by demonstrating that it responded appropriately to an employee's report of harassment, or that the employee unreasonably failed to take advantage of the reporting options that were available to her. The amendments also expand the definition of "employer" to include employers with as few as one employee and expands the definition of "employee" to include independent contractors; increases the statute of limitations for filing an administrative complaint for workplace harassment with a state or local agency from six months to two years; increases the statute of limitations for filing a civil action for workplace harassment from two years to three years; and imposes new anti-harassment training requirements for Maryland State employers. Although many of these changes seem strictly procedural, they will greatly increase employees' ability to seek relief for harassment in small and non-traditional workplaces beyond that available under FEPA's federal counterpart, the Civil Rights Act of 1964. Governor Hogan signed these amendments into law on April 30, 2019.

## Maryland's New Gender Diversity Act

On April 6, 2019, the General Assembly passed the [Gender Diversity in the Boardroom Act](#) "to promote gender diversity in corporate management and boardrooms." In passing the Act, the General Assembly acknowledged that gender diversity on boards of directors is associated both with firms' overall financial value and with better corporate governance, and also that the presence of female directors tends to increase the number of women in leadership positions within a company, where they historically have been underrepresented. The Act requires employers to file a yearly report on the percentage of female

representation on their boards of directors and make the report publicly available on the Maryland Comptroller's website. It also expressly urges Maryland employers to have at least 30 percent of the seats on their boards of directors occupied by women by the end of 2022. Governor Hogan signed the Act into law on May 13, 2019.

### **Civil Penalties for Violations of Maryland's Equal Pay Laws**

On April 8, 2019, the General Assembly passed the [Equal Pay Remedies and Enforcement Act](#), which imposes civil penalties - on top of existing backpay remedies - against employers who violate Maryland's [Equal Pay for Equal Work](#) law. Under Maryland's Equal Pay for Equal Work law, employers must pay similarly-situated employees the same wage, without regard to sex or gender identity. If a judge or the Commissioner of Labor and Industry finds an employer in violation of the law, the employer is liable for backpay in the amount of 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, as well as liquidated damages. Under the new Equal Pay Remedies and Enforcement Act, employers also will be subject to a fine of up to \$300 and, if they are found to have violated the law two or more times within a 3-year period, additional civil penalties equal to 10 percent of the amount of the backpay damages owed. Governor Hogan signed the Act into law on May 25, 2019.

On the whole, Maryland workplaces will be better places for employees when its new laws go into effect on October 1, 2019.