

HOUSE BILL 69

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6lr0691

(PRE-FILED)

By: Delegate Vogel

Requested: August 13, 2025

Introduced and read first time: January 14, 2026

Assigned to: Government, Labor, and Elections

A BILL ENTITLED

1 AN ACT concerning

Labor and Employment – Exemptions From Overtime Pay – Administrative, Executive, or Professional Capacity

4 FOR the purpose of altering the exemption from overtime pay for individuals who are
5 employed to work in an administrative, executive, or professional capacity; and
6 generally relating to exemptions from overtime pay.

7 BY repealing and reenacting, with amendments,
8 Article – Labor and Employment
9 Section 3–403
0 Annotated Code of Maryland
1 (2025 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

Article – Labor and Employment

15 3-403.

16 This subtitle does not apply to an individual [who]:

17 [(1) is employed in a capacity that the Commissioner defines, by regulation,
18 to be administrative, executive, or professional;]

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 A. FOR THE 12-MONTH PERIOD BEGINNING JULY
2 1, 2027, \$769.23 PER WEEK;

3 B. FOR THE 12-MONTH PERIOD BEGINNING JULY 1,
4 2028, \$826.92 PER WEEK;

5 C. FOR THE 12-MONTH PERIOD BEGINNING JULY 1,
6 2029, \$884.62 PER WEEK;

7 D. FOR THE 12-MONTH PERIOD BEGINNING JULY 1,
8 2030, \$942.31 PER WEEK; OR

9 E. BEGINNING JULY 1, 2031, \$961.54 PER WEEK; OR

10 2. IF HIGHER, THE AMOUNT ESTABLISHED IN 29 C.F.R.

11 § 541.600; AND

12 (II) 1. WHOSE PRIMARY DUTY:

13 A. IS THE PERFORMANCE OF OFFICE OR NONMANUAL
14 WORK DIRECTLY RELATED TO THE MANAGEMENT OR GENERAL BUSINESS
15 OPERATIONS OF THE EMPLOYER OR THE EMPLOYER'S CUSTOMERS; AND

16 B. INCLUDES THE EXERCISE OF DISCRETION AND
17 INDEPENDENT JUDGMENT WITH RESPECT TO MATTERS OF SIGNIFICANCE;

18 2. A. WHOSE PRIMARY DUTY IS MANAGEMENT OF THE
19 ENTERPRISE IN WHICH THE EMPLOYEE IS EMPLOYED OR OF A CUSTOMARILY
20 RECOGNIZED DEPARTMENT OR SUBDIVISION OF THE ENTERPRISE;

21 B. WHO CUSTOMARILY AND REGULARLY DIRECTS THE
22 WORK OF TWO OR MORE OTHER EMPLOYEES; AND

23 C. WHO HAS THE AUTHORITY TO HIRE OR FIRE OTHER
24 EMPLOYEES OR WHOSE SUGGESTIONS AND RECOMMENDATIONS AS TO THE HIRING,
25 FIRING, ADVANCEMENT, PROMOTION, OR ANY OTHER CHANGE OF STATUS OF OTHER
26 EMPLOYEES ARE GIVEN PARTICULAR WEIGHT; OR

27 3. WHOSE PRIMARY DUTY IS THE PERFORMANCE OF
28 WORK REQUIRING:

1 **A. KNOWLEDGE OF AN ADVANCED TYPE IN A FIELD OF**
2 **SCIENCE OR LEARNING CUSTOMARILY ACQUIRED BY A PROLONGED COURSE OF**
3 **SPECIALIZED INTELLECTUAL INSTRUCTION; OR**

4 **B. INVENTION, IMAGINATION, ORIGINALITY, OR TALENT**
5 **IN A RECOGNIZED FIELD OF ARTISTIC OR CREATIVE ENDEAVOR;**

6 (2) **WHO** is employed in a nonadministrative capacity at an organized
7 camp, including a resident or day camp;

8 (3) **WHO** is under the age of 16 years and is employed no more than 20
9 hours in a week;

10 (4) **WHO** is employed as an outside salesman;

11 (5) **WHO** is compensated on a commission basis;

12 (6) **WHO** is a child, parent, spouse, or other member of the immediate
13 family of the employer;

14 (7) **WHO** is employed in a drive-in theater;

15 (8) **WHO** is employed as part of the training in a special education program
16 for emotionally, mentally, or physically handicapped students under a public school system;

17 (9) **WHO** is employed by an employer who is engaged in canning, freezing,
18 packing, or first processing of perishable or seasonal fresh fruits, vegetables, or
19 horticultural commodities, poultry, or seafood;

20 (10) **WHO** engages in the activities of a charitable, educational, nonprofit, or
21 religious organization if:

22 (i) the service is provided gratuitously; and

23 (ii) there is, in fact, no employer-employee relationship;

24 (11) **WHO** is employed in a cafe, drive-in, drugstore, restaurant, tavern, or
25 other similar establishment that:

26 (i) sells food and drink for consumption on the premises; and

27 (ii) has an annual gross income of \$400,000 or less;

28 (12) **WHO** is employed in agriculture if, during each quarter of the preceding
29 calendar year, the employer used no more than 500 agricultural-worker days;

(13) WHO is engaged principally in the range production of livestock;

(14) WHO is employed as a hand-harvest laborer and is paid on a piece-rate basis in an operation that, in the region of employment, has been and customarily and generally is recognized as having been paid on that basis, if:

(i) the individual:

6 1. commutes daily from the permanent residence of the
7 individual to the farm where the individual is employed; and

8 2. during the preceding calendar year, was employed in
9 agriculture less than 13 weeks; or

10 (ii) the individual:

1. is under the age of 17;

12 2. is employed on the same farm as a parent of the individual
13 or a person standing in the place of the parent; and

3. is paid at the same rate that an employee who is at least
17 years old is paid on the same farm;

(15) WHO is a covered employee under the Secure Maryland Wage Act; or

17 (16) (i) WHO has entered into a contract to play baseball at the minor
18 league level; and

19 (ii) WHO is compensated in accordance with the terms of a collective
20 bargaining agreement that expressly states the wages and working conditions of
21 employees.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2026.