

In the Know Series - Labor & Employment Law Changes in Maryland

April 17, 2024

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Stay Ahead of the Curve with Key Insights from Our L&E Team

Employers in Maryland face new challenges and opportunities as recent updates to employment laws come into effect. *These legal developments will continue to impact the workplace in 2024 and beyond.* Understanding these changes is essential for maintaining compliance and fostering a positive workplace environment. Here's a snapshot of the latest developments in Maryland's labor landscape.

- **Recreational Marijuana Legalization:** Effective July 1, 2023, Maryland has legalized recreational marijuana use under Maryland Constitution Article XX, § 1. Maryland has not yet clarified related protections for employees using recreational marijuana.
- **Noncompete Wage Threshold:** Maryland has amended its Labor and Employment Code § 3-716 to prohibit employers from including a noncompete provision in an employment contract with an employee earning less than or equal to 150% of Maryland's minimum wage. This law took effect on October 1, 2023. Additionally, for any agreements entered into starting July 1, 2025, noncompete provisions are banned for veterinary and health care professionals earning \$350,000 or less in total compensation. For those earning more, any noncompete restrictions may not exceed 1 year and 10 miles.
- **Paid Family and Medical Leave Contributions:** Maryland again delayed the date that the Maryland Paid Family and Medical Leave Law becomes effective. The law will require covered employers to make contributions beginning on July 1, 2025 to fund paid family and medical leave benefits, accessible to employees beginning July 1, 2026. Among other changes, recent amendments to the law set the total contribution rate, provide that employees cannot be required to use certain paid leave while receiving program benefits, specifies that only employees who perform employment services in Maryland are eligible for benefits, authorizes employers to receive information about employee claims, and add "domestic partner" to the covered list of family members.
- **Salary Posting Requirement:** Beginning October 1, 2024, employers will be required to include wage ranges, benefits and any other compensation in their job postings for jobs that are physically performed, at least in part, in Maryland, employers will be required to include wage ranges, benefits and any other compensation in their job postings for jobs that are physically performed, at least in part, in Maryland.
- **Military Status is Now A Protected Characteristic:** Military status (meaning a member of the uniformed services or reserves, as well as being a dependent of such a member) will be added to the list of protected characteristics under Maryland's anti-discrimination law beginning October 1, 2024.
- **Hiring Preference for Military Spouses:** Beginning July 1, 2024, the spouse of a full-time active member of the uniformed services may be granted a preference in hiring or promotion. Presently, under Maryland law, employers can offer a preference in hiring or advancement to a qualified veteran (defined as someone who received an honorable discharge or

certificate of satisfactory completion of uniformed service), along with the partner of a qualified veteran with a service-connected disability or the surviving partner of a deceased qualified veteran.