

LEGISLATIVE ACTION

Senate House

The Committee on Judiciary (Simmons) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause and insert:

Section 1. (1) There is created a civil cause of action for the collection of unpaid wages.

(2) The term:

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- (a) "Wages" means wages, salaries, commissions, or other similar forms of compensation.
- (b) "Unpaid wages" means the improper underpayment or nonpayment of wages within a reasonable time after the date on which the employee performed the work for which the wages are compensable.

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- (3) An employer shall pay the wages due to an employee for the work that the employee performed and which are due within a reasonable time after the date on which the employee performed the work. The employer shall pay the wages according to the applicable rate and the employer's own pay schedule established by policy or practice. If a pay schedule has not been established, a reasonable time following the date on which that employee performed the work is presumed to be 2 weeks.
- (4) As a condition precedent to bringing a claim for unpaid wages, the claimant shall notify in writing the employer alleged to have violated this section of the employee's intent to initiate a claim. The notice must identify the amount that the claimant alleges he or she is owed, the actual or estimated work dates and hours for which payment is sought, and the total amount of alleged unpaid wages through the date of the notice. The employer has 15 days following the date of service of the notice to pay the total amount of unpaid wages or otherwise resolve the claim to the satisfaction of the claimant.
- (5) The claim shall have its venue in the county where the work was performed or where the employer resides. A claim for unpaid wages shall be tried before the court and not before a jury. The claimant does not have a right to a class action to enforce such unpaid wage claims.
- (6) A claim for unpaid wages under this section must be filed within 1 year following the last date that the allegedly unpaid work was performed by the employee.
- (7) A prevailing claimant is entitled to damages, which shall be the actual wages due and owing, plus court costs and interest.

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- (8) (a) A county, municipality, or political subdivision may establish an administrative, nonjudicial complaint process by which an unpaid wage claim may be filed by, or on behalf of, an aggrieved employee in order to assist in the collection of wages owed to the employee. Any such process shall afford the parties involved an opportunity to negotiate a resolution to the wages in question.
- (b) A county, municipality, or political subdivision may not adopt or maintain in effect any law, ordinance, or rule that creates requirements or regulations for the purpose of addressing unpaid wage claims other than to establish the administrative process provided for in this section.
- (c) Any other regulation, ordinance, or provision for the recovery of unpaid wages by a county, municipality, or political subdivision is expressly prohibited and is preempted to the state.
- (9) This section does not apply to an employer whose annual gross volume of sales is more than \$500,000, exclusive of sales tax collected or excise taxes paid.
- Section 2. This act shall take effect July 1, 2012.

======= T I T L E A M E N D M E N T ========== And the title is amended as follows:

Delete everything before the enacting clause and insert:

A bill to be entitled

An act relating to wage protection for employees; creating a civil cause of action for the collection of unpaid wages; defining terms; requiring an employer to 72

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pay the wages due to an employee for the work that the employee performed within a reasonable time after the date on which the employee performed the work; requiring a claimant, as a condition precedent to bringing a claim for unpaid wages, to notify in writing the employer of the employee's intention to initiate a claim; providing for the content of the notice; allotting the employer a specific time to pay the total amount of unpaid wages or otherwise resolve the claim to the satisfaction of the claimant; providing for the venue of such claims; prohibiting the maintenance of a class action; providing for damages to include court costs and interest; authorizing a county, municipality, or political subdivision to establish an administrative, nonjudicial process by which a claim may be filed by, or on behalf of, an aggrieved employee; prohibiting a county, municipality, or political subdivision from adopting or maintaining in effect a law, ordinance, or rule for the purpose of addressing unpaid wage claims other than to establish an administrative process as provided in the act; providing that any regulation, ordinance, or other provision for recovery of unpaid wages by counties, municipalities, or political subdivisions is prohibited and preempted to the state; providing a limitation of applicability to certain employers; providing an effective date.