THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2045 Session of 2009

INTRODUCED BY COHEN, BELFANTI, BUXTON, BISHOP, BRENNAN, DeLUCA, DONATUCCI, FRANKEL, GOODMAN, JOSEPHS, KORTZ, MANDERINO, McGEEHAN, MURPHY, MUSTIO, M. O'BRIEN, SIPTROTH, SWANGER, THOMAS AND WATERS, OCTOBER 14, 2009

REFERRED TO COMMITTEE ON LABOR RELATIONS, OCTOBER 14, 2009

AN ACT

Amending the act of July 14, 1961 (P.L.637, No.329), entitled 1 "An act relating to the payment of wages or compensation for 2 labor or services; providing for regular pay days; conferring powers and duties upon the Department of Labor and Industry, including powers and duties with respect to the civil 5 collection of wages; providing civil and criminal penalties 6 for violations of the act; providing for their collection and 7 disposition and providing for additional civil damages," further providing for liquidated damages and for criminal 9 penalties. 10 The General Assembly of the Commonwealth of Pennsylvania 11 12 hereby enacts as follows: 13 Section 1. Sections 10 and 11.1(b) of the act of July 14, 1961 (P.L.637, No.329), known as the Wage Payment and Collection 14 Law, amended or added July 14, 1977 (P.L.82, No.30), are amended 15 16 to read: 17 Section 10. Liquidated Damages. -- Where wages remain unpaid 18 for thirty days beyond the regularly scheduled payday, or, in 19 the case where no regularly scheduled payday is applicable, for 20 sixty days beyond the filing by the employe of a proper claim or 21 for sixty days beyond the date of the agreement, award or other

- 1 act making wages payable, or where shortages in the wage
- 2 payments made exceed five percent (5%) of the gross wages
- 3 payable on any two regularly scheduled paydays in the same
- 4 calendar quarter, and no good faith contest or dispute of any
- 5 wage claim including the good faith assertion of a right of set-
- 6 off or counter-claim exists accounting for such non-payment, the
- 7 employe shall be entitled to claim, in addition, as liquidated
- 8 damages an amount equal to [twenty-five percent (25%)] three
- 9 <u>hundred percent (300%)</u> of the total amount of wages due, or five
- 10 hundred dollars (\$500), whichever is greater.
- 11 Section 11.1. Criminal Penalties. --* * *
- 12 (b) In addition to any other penalty or punishment otherwise
- 13 prescribed by law, any employer who violates any provisions of
- 14 this act shall be guilty of a [summary offense] misdemeanor and,
- 15 upon conviction thereof, shall be punished by a fine of not more
- 16 than [three hundred dollars (\$300)] two thousand, five hundred
- 17 <u>dollars (\$2,500)</u>, or by imprisonment up to 90 days, or by both,
- 18 for each offense. The good faith contest or dispute by any
- 19 employer of any wage claim or the good faith assertion of a
- 20 right of set-off or counter-claim shall not be considered a
- 21 violation of this act: Provided, That the employer has paid all
- 22 wages due in excess of the amount in dispute or asserted to be
- 23 subject to a right of set-off or counter-claim. Nonpayment of
- 24 wages to, on account of, or for the benefit of each individual
- 25 employe shall constitute a separate offense.
- 26 * * *
- 27 Section 2. This act shall take effect in 60 days.