

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1598

Session of
1987

INTRODUCED BY BELFANTI, COHEN, MORRIS, KOSINSKI, KUKOVICH,
LEVDANSKY, JOSEPHS, PISTELLA, MICHLOVIC, VEON, TRUMAN,
PETRARCA AND ITKIN, JUNE 23, 1987

AS REPORTED FROM COMMITTEE ON LABOR RELATIONS, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 28, 1988

AN ACT

1 Amending the act of July 14, 1961 (P.L.637, No.329), entitled
2 "An act relating to the payment of wages or compensation for
3 labor or services; providing for regular pay days; conferring
4 powers and duties upon the Department of Labor and Industry,
5 including powers and duties with respect to the civil
6 collection of wages; providing civil and criminal penalties
7 for violations of the act; providing for their collection and
8 disposition and providing for additional civil damages,"
9 further providing for regular payday and enforcement; and
10 imposing a duty on successor employers to pay back wages.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 3(a) of the act of July 14, 1961
14 (P.L.637, No.329), known as the Wage Payment and Collection Law,
15 amended July 14, 1977 (P.L.82, No.30), is amended to read:

16 Section 3. Regular Payday.--(a) Wages other than fringe
17 benefits and wage supplements. Every employer shall pay all
18 wages, other than fringe benefits and wage supplements, due to
19 his employes on regular paydays designated in advance by the
20 employer. Overtime wages may be considered as wages earned and
21 payable in the next succeeding pay period. All wages, other than

1 fringe benefits and wage supplements, earned in any pay period
2 shall be due and payable within [the number of days after the
3 expiration of said pay period as provided in a written contract
4 of employment or, if not so specified, within the standard time
5 lapse customary in the trade or within 15] ~~seven~~ EIGHT days from <—
6 the end of such pay period. The wages shall be paid in lawful
7 money of the United States or check, except that deductions
8 provided by law, or as authorized by regulation of the
9 Department of Labor and Industry for the convenience of the
10 employe, may be made including deductions of contributions to
11 employe benefit plans which are subject to the Employee
12 Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq.

13 * * *

14 Section 2. The act is amended by adding a section to read:

15 Section 6.1. Successor Employer's Duty to Pay Back Wages.--A
16 successor employer shall be responsible financially, upon the
17 sale of the company, for back wages due to employes of the
18 previous employer. These wages may be paid in installments.

19 ~~Section 3. Section 8 of the act, amended July 14, 1977 <—~~
20 ~~(P.L.82, No.30), is amended to read:~~

21 ~~Section 8. Enforcement. (a) The Secretary of Labor and~~
22 ~~Industry shall have the duty, but not the exclusive right, to~~
23 ~~enforce and administer the provisions of this act, to~~
24 ~~investigate any alleged violations of this act and to institute~~
25 ~~prosecutions and actions as provided hereunder. Nothing in this~~
26 ~~act shall authorize the secretary to initiate a civil action for~~
27 ~~unpaid wages which are subject to disposition under grievance~~
28 ~~and arbitration procedures of a collective bargaining agreement.~~

29 ~~(b) The Department of Labor and Industry shall have the~~
30 ~~power to make rules and regulations for the administration of~~

1 ~~this act.~~

2 ~~(c) Every employer shall keep open to inspection by the~~
3 ~~secretary or his authorized representative, all payroll records~~
4 ~~or other records or documents relative to the enforcement of~~
5 ~~this act. Such inspection may be made by the secretary or his~~
6 ~~authorized representative at any reasonable time. Every employer~~
7 ~~shall permit the secretary or any authorized representative to~~
8 ~~interrogate any employe in the place of employment and during~~
9 ~~work hours with respect to such records or documents. Where such~~
10 ~~records are maintained at a central record keeping office~~
11 ~~outside of the Commonwealth, such records shall be made~~
12 ~~available for inspection at the place of employment within seven~~
13 ~~calendar days following verbal or written notice from the~~
14 ~~secretary or his authorized representative. Where a microfilm or~~
15 ~~any other method is authorized for record keeping purposes, the~~
16 ~~employer shall make available to the secretary or his authorized~~
17 ~~representative, the equipment which is necessary to facilitate~~
18 ~~review of the records.~~

19 ~~(d) The department may require a company which has filed a~~
20 ~~bankruptcy petition under Chapter 11 of the Federal Bankruptcy~~
21 ~~Code (11 U.S.C. § 1101 et seq.) to file a bond or other~~
22 ~~assurance relating to the payment of wages of salaried and~~
23 ~~nonsalaried employes of the company. The department shall~~
24 ~~monitor payments or wages by a company which has filed a Chapter~~
25 ~~11 petition.~~

26 Section 4 3. This act shall take effect in 60 days.

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