

CS FOR SENATE BILL NO. 193(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 3/6/00

Referred: Rules

Sponsor(s): SENATOR PEARCE

REPRESENTATIVES Halcro, Brice, James, Murkowski, Harris, Phillips

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the payment of wages and claims for the payment of wages."

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 * **Section 1.** AS 22.15.040(a) is amended to read:

4 (a) Except as otherwise provided in this subsection, when [WHEN] a claim
5 for relief does not exceed \$7,500, exclusive of costs, interest, and attorney fees, and
6 request is so made, the district judge or magistrate shall hear the action as a small
7 claim unless important or unusual points of law are involved or the state is a
8 defendant. The Department of Labor and Workforce Development may bring an
9 action as a small claim under this subsection for the payment of wages under
10 AS 23.05.220 in an amount not to exceed \$20,000, exclusive of costs, interest, and
11 attorney fees. The supreme court shall prescribe the procedural rules and standard
12 forms to assure simplicity and the expeditious handling of small claims.

13 * **Sec. 2.** AS 22.15.120(a) is amended to read:

14 (a) A magistrate shall preside only in cases and proceedings under
15 AS 22.15.040, 22.15.100, and 22.15.110, and as follows:

(1) for the recovery of money or damages only when the amount claimed, exclusive of costs, interest, and attorney fees, does not exceed \$7,500;

(2) for the recovery of specific personal property when the value of the property claimed and the damages for the detention do not exceed \$7,500;

(3) for the recovery of a penalty or forfeiture, whether given by statute or arising out of contract, not exceeding \$7,500;

(4) to give judgment without action upon the confession of the defendant for any of the cases specified in this section, except for a penalty or forfeiture imposed by statute;

(5) to give judgment of conviction upon a plea of guilty or no contest by the defendant in a criminal proceeding within the jurisdiction of the district court;

(6) to hear, try, and enter judgments in all cases involving misdemeanors that are not minor offenses if the defendant consents in writing that the magistrate may try the case;

(7) to hear, try, and enter judgments in all cases involving minor offenses and violations of ordinances of political subdivisions;

(8) for the extradition of fugitives as authorized under AS 12.70;

(9) to provide post-conviction relief under the Alaska Rules of Criminal Procedure for any of the cases specified in (5), (6), or (7) of this subsection if the conviction occurred in the district court; or

(10) to hear, try, and enter judgments in actions for the payment of wages brought by the Department of Labor and Workforce Development as provided in AS 22.15.040(a) [REPEALED].

* **Sec. 3.** AS 23.05.140(b) is amended to read:

(b) If the employment is terminated, [REGARDLESS OF THE CAUSE OF TERMINATION,] all wages, salaries, or other compensation for labor or services become due immediately and shall be paid within the time required by this subsection [THREE WORKING DAYS AFTER THE TERMINATION] at the place where the employee is usually paid or at a location agreed upon by the employer and employee. If the employment is terminated by the employer, regardless of the cause for the termination, payment is due within three working days after the

termination. If the employment is terminated by the employee, payment is due at the next regular pay day that is at least three days after the employer received notice of the employee's termination of services.

* **Sec. 4.** AS 23.05.140(d) is amended to read:

(d) If an employer violates (b) of this section by failing to pay within **the time required by that subsection** [THREE WORKING DAYS OF TERMINATION], the employer may be required to pay the employee a penalty in the amount of the employee's regular wage, salary, or other compensation from the time of demand to the time of payment, or for 90 working days, whichever is the lesser amount.

* **Sec. 5.** AS 23.05.140 is amended by adding new subsections to read:

(e) In an action brought by the department under this section, an employer found liable for failing to pay wages within the time required by (b) of this section shall be required to pay the penalty set out in (d) of this section. The amount of the penalty shall be calculated based on the employee's straight time rate of pay for an eight-hour day.

(f) In an action brought for unpaid overtime under AS 23.10.060 that results in an award of liquidated damages under AS 23.10.110, the provisions of (d) of this section do not apply unless the action was brought by the department under (e) of this section.

* **Sec. 6.** AS 23.05.220(c) is amended to read:

(c) The department may not accept an assignment of a claim in excess of the amount set out in AS 22.15.040 as the maximum amount, exclusive of costs, interest, and attorney fees, for the jurisdiction of the district court to hear an action **for the payment of wages** as a small claim.