

IN THE SENATE

BY SENATOR BELTZ

SENATE BILL NO. 42

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-SECOND SESSION

A BILL

For an Act entitled: "An act to amend Article 2 of Chapter 2 of Title 43 ASIA 1949 by adding a new section designated as 43-2-13, and therein providing for: civil liability for failure to pay wages; bond requirements for certain employers; penalties; reciprocal agreements with other states; and an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

Section 1. Article 2 of Chapter 2 of Title 43 ASIA 1949 is hereby amended by adding a new section designated as 43-2-13, which new section shall read as follows:

43-2-13. CIVIL LIABILITIES FOR FAILURE TO PAY WAGES; BONDING REQUIREMENTS; PENALTIES; RECIPROCAL AGREEMENTS; EFFECTIVE DATE.

(a) CONTRACTOR'S RESPONSIBILITY FOR WAGE PAYMENTS.

Whenever any person, herein called the contractor, subcontracts with another for the performance of any work which the contractor has undertaken to perform, the contractor shall become civilly liable to employees engaged in the performance of work under such subcontract for the payment of wages as required by Sections 43-2-11 and 43-2-12 ASIA 1949 whenever and to the extent that the employer of such employees shall be liable to the contractor for wages paid to such employees by the contractor under this

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1 subsection.

2 (b) BOND REQUIRED OF EMPLOYERS ENGAGED IN LUMBERING  
3 AND SAWMILLING OPERATIONS TO GUARANTEE PAYMENT OF WAGES. (1) No  
4 person, partnership, firm or corporation, or agent or officer  
5 thereof, engaged in cutting or removing timber or in operating  
6 a sawmill and employing more than 3 persons, shall hereafter  
7 commence or continue such business until a bond has been filed  
8 with the Commissioner of Labor in a sum double the amount of the  
9 payroll for one lawful pay period for such operations conditioned  
10 on payment by the employer of wages to such employees in the  
11 full amount due them on each lawful pay day, together with an  
12 affidavit setting forth the number of employees to be employed  
13 and the amount of wages to be paid. The Commissioner of Labor  
14 may call on a person whose bond is on file to file additional  
15 information and require the amount of such bond to be increased  
16 or decreased to meet changed conditions of employment to an  
17 amount equal to double the payroll for one lawful pay period.

18 (2) Any person having wages due and unpaid from any  
19 employer as provided in subsection (b)(1) of this section shall  
20 have a right of action in any court of competent jurisdiction  
21 on such bond for such unpaid wages. Any judgment awarded to  
22 such person shall include costs of the action and reasonable  
23 attorney's fees. Nothing in this paragraph shall affect the  
24 right of an employee to assign his wage claim in trust to the  
25 Commissioner of Labor as provided in Section 43-1-5 ACLA 1949.

26 (3) Each person, firm, association, partnership,  
27 corporation or other employer doing business in this Territory  
28 who shall fail to file the bond as provided in subsection (b)(1)  
29 of this section, and each officer or agent thereof who knowingly

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1 permits the employer to fail to file such bond shall be guilty  
2 of a misdemeanor, and upon conviction therefor shall be fined  
3 not more than one thousand dollars or imprisoned for not more  
4 than one year, or punished by both such fine and imprisonment,  
5 and each day's continuance of such violation shall constitute a  
6 separate offense.

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8 (c) DEFAULTING EMPLOYERS: POWER OF COMMISSIONER OF  
9 LABOR: PENALTIES. (1) If an investigation by the Commissioner  
10 of Labor discloses that any employer has failed to pay his  
11 employees' wages in accordance with Sections 43-2-11 and 43-2-12  
12 ASLA 1949, the Commissioner may demand that the employer furnish  
13 bond with security conditioned upon the payment of his employees'  
14 wages in accordance with law for a period not to exceed six  
15 months. If within 10 days said employer fails to provide such  
16 bond, the Commissioner may bring an action in the court of  
17 appropriate jurisdiction to compel the employer to furnish the  
18 bond or cease doing business until he has done so. If the court  
19 finds the bond to be reasonably necessary to insure prompt pay-  
20 ment of wages, it shall enjoin the employer from doing business  
21 until the bond is furnished or may make other orders to compel  
22 the employer to meet such requirement.

23 (2) Each person, firm, association, partnership,  
24 corporation, or other employer doing business in this Territory,  
25 who does not pay the wages, salaries or other compensation of  
26 all of his or its employees in accordance with the provisions  
27 of Sections 43-2-11 and 43-2-12 ASLA 1949, and each officer or  
28 agent thereof who knowingly permits the employer to fail to pay  
29 the wages, salaries or other compensation of all of its employees  
30 in accordance with the provisions of Sections 43-2-11 and 43-2-12

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ACLA 1949, shall be guilty of a misdemeanor, and upon conviction therefor shall be fined not more than one thousand dollars or imprisoned for not more than one year, or punished by both such fine and imprisonment, for each such offense.

(d) RECIPROCAL AGREEMENTS WITH OTHER STATES AND TERRITORIES. (1) The Labor Commissioner may enter into an agreement with the Labor Commissioner or corresponding official or agency of any State or Territory for the reciprocal enforcement and collection of wage claims, if such State or Territory had a reciprocal statute similar to this subsection or otherwise authorizes reciprocal enforcement and collection of wage claims in a manner substantially similar to the method used under this law. Each agreement made pursuant to this subsection shall include provision for transfer of funds collected to the State or Territory in which the wage claim arose.

(2) Where the Labor Commissioner of this Territory has been assigned a wage claim for collection and the employer has moved to another State or Territory, the Commissioner may re-assign the wage claim, with the approval of the employee, to the proper agency or official of such State or Territory for collection, if there is in effect a reciprocal agreement with such other State or Territory made in accordance with the provisions of paragraph (1) of this subsection. Under similar circumstances, the Labor Commissioner of this Territory may accept claims from other States or Territories for collection from employers who have moved to Alaska.

Sec. 2. EFFECTIVE DATE. This Act shall take effect upon the expiration of 60 days from the date of its enactment.

*J. E. ...*