

Introduced: 3/8/63
Referred: Labor and
Management

1 IN THE SENATE

RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

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SENATE BILL NO. 160

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRD LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act changing the rules for the payment
7 and collection of wages; and providing for
8 an effective date."

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

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* Section 1. AS 23.05.140 is repealed and re-enacted to read:

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* Sec. 2. AS 23.05 is amended by adding a new section to read:

Sec. 23.05.145. EMPLOYEES WHO ARE SEPARATED FROM THE

PAYROLL BEFORE PAYDAYS. (a) Whenever an employer dis-

1 charges an employee, the employer shall pay the employee's
2 wages in full at the time of discharge.

3 (b) Whenever an employee quits or resigns, the employer
4 shall pay the employee's wages no later than the next regular
5 payday, as provided under sec. 140 of this chapter, either
6 through the regular pay channels or by mail if requested by
7 the employee, except that if the employee gives at least
8 one pay period's notice of intention to quit, the employer
9 shall pay all wages earned by the employee at the time of
10 quitting.

11 (c) When work of any employee is suspended as a result
12 of a labor dispute, or when an employee for any reason what-
13 soever is laid off, the employer shall pay in full to such
14 employee not later than the next regular payday, as desig-
15 nated under sec. 140 of this chapter, either through the
16 regular pay channels or by mail if requested by the employee,
17 wages earned at the time of suspension or layoff.

18 (d) If an employer fails to pay an employee wages as
19 required under subsecs. (a), (b), or (c) of this section,
20 such employer shall be additionally liable to the employee
21 for liquidated damages in an amount equal to 10 percent of
22 the unpaid wages for each day except Sunday and legal holidays
23 during such failure or in an amount equal to the unpaid
24 wages, whichever is smaller; except that, for the purpose
25 of such liquidated damages, such failure shall not be deemed
26 to continue after the date of the filing of a petition in
27 bankruptcy with respect to the employer if he is adjudicated
28 bankrupt upon such petition.

29 * Sec. 3. AS 23.05.150 is amended to read:

1 Sec. 23.05.150. PAY ORDERS. (a) If an employer main-
2 tains a central pay office at a point other than the place
3 of employment and termination notices are accompanied by
4 pay orders for submission to the central pay office the
5 requirement in sec. 145 [140] of this chapter of payment
6 within 24 hours of termination is satisfied. A pay order
7 must be paid promptly on presentation by the employee at
8 the central pay office.

9 (b) This chapter does not limit the liability of the
10 person issuing the pay order.

11 * Sec. 4. AS 23.05 is amended by adding a new section to
12 read:

13 Sec. 23.05.155. WITHHOLDING OF WAGES. No employer may
14 withhold or divert any portion of an employee's wages
15 unless:

16 (1) the employer is required or empowered to do
17 so by state or federal law, or

18 (2) the employer has a written authorization by
19 the employee for deductions for a lawful purpose accruing to
20 the benefit of the employee as provided in regulations issued
21 by the commissioner, or

22 (3) the deductions are pursuant to any rule or
23 regulation, for medical, surgical, or hospital care or ser-
24 vice, without financial benefit to the employer and openly,
25 clearly, and in due course recorded in the employer's books.

26 * Sec. 5. AS 23.05.160 is repealed and re-enacted to read:

27 Sec. 23.05.160. NOTIFICATION, POSTING, AND RECORDS.

28 Every employer shall:

29 (1) notify his employees in writing or through

1 a posted notice maintained in a place accessible to his
2 employees, at the time of hiring of the rate of pay, and of
3 the day, hour and place of payment,

4 (2) notify his employees in writing or through a
5 posted notice maintained in a place accessible to his employ-
6 ees of any changes in arrangements specified above prior to
7 the time of such changes,

8 (3) make available to his employees in writing or
9 through a posted notice maintained in a place accessible to
10 his employees, employment practices and policies with regard
11 to vacation pay, sick leave, and comparable matters,

12 (4) furnish each employee with an itemized state-
13 ment of deductions made from his wages under sec. 155 of
14 this chapter for each period such deductions are made,

15 (5) keep posted in a place accessible to his
16 employees an abstract of this chapter furnished by the com-
17 missioner, and

18 (6) make such records of the persons employed by
19 him, including wage and hour records, preserve such records
20 for such periods of time, and make such reports therefrom
21 to the commissioner, as the commissioner shall prescribe by
22 regulation as necessary or appropriate for the enforcement
23 of the provisions of this chapter.

24 * Sec. 6. AS 23.05.180 is repealed and re-enacted to read:

25 Sec. 23.05.180. UNCONDITIONAL PAYMENT OF WAGES CONCEDED
26 TO BE DUE. (a) In case of a dispute over the amount of
27 wages, the employer shall pay, within the time set by this
28 chapter, all wages conceded by him to be due, leaving to the
29 employee all remedies to which he might otherwise be entitled

1 including those provided under this chapter, as to any
2 balance claimed.

3 (b) The acceptance by an employee of a payment under
4 this section shall not constitute a release as to the bal-
5 ance of his claim and any release required by an employer as
6 a condition to payment shall be in violation of this chapter
7 and shall be null and void.

8 * Sec. 7. AS 23.05 is amended by adding a new section to read

9 Sec. 23.05.185. RESPONSIBILITY FOR WAGE PAYMENTS. (a)

10 Whenever any person contracts for the performance of any
11 work, he shall become civilly liable to the employees of the
12 other party to the contract engaged in the performance of
13 the work contracted for to the same extent as the other
14 party, exclusive of liquidated damages as provided in sec.
15 145 of this chapter, if the employer does not pay the wages
16 at the time required by this chapter.

17 (b) For the purposes of this section, the term "person"
18 means any individual, partnership, association, joint stock
19 company, trust, corporation, the administrator or executor
20 of any estate, or the receiver, trustee or successor of any
21 of the same. The term "person" shall not include the state,
22 any political subdivision, or any officer thereof acting in
23 his official capacity.

24 * Sec. 8. AS 23.05.220 is amended to read:

25 Sec. 23.05.220. ASSIGNMENT OF WAGE CLAIMS TO DEPART-

26 MENT. (a) The department may take an assignment of (1) a
27 wage claim and claim for liquidated damages and an inci-
28 dental expense account and an advance; (2) a mechanics or
29 other lien of an employee; (3) a claim based on a "stop

1 order" for wages or on a bond for labor; for damages for
2 misrepresentation of a condition of employment; against an
3 employment agency or its bondsman; for unreturned bond money
4 of an employee; for a penalty for nonpayment of wages; for
5 the return of a workman's tools in the illegal possession
6 of another person; and for vacation pay or severance pay.

7 (b) The department is not bound by any rule requiring
8 the consent of the spouse of a married claimant, the filing
9 of a lien for record before it is assigned, or prohibiting
10 the assignment of a claim for penalty before the claim has
11 been incurred or by any other technical rule with reference
12 to the validity of an assignment.

13 (c) The department may not accept an assignment of a
14 claim in excess of \$750.

15 (d) With the consent of the assigning employee, the
16 department shall have the power to settle and adjust any
17 such claim to the same extent as might the assigning
18 employee.

19 * Sec. 9. AS 23.05 is amended by adding a new section to read:

20 Sec. 23.05.290. LIABILITY OF CORPORATE OFFICERS AND
21 AGENTS. For the purposes of this chapter the officers of a
22 corporation and any agent having the management of such
23 corporation who knowingly permit the corporation to violate
24 the provisions of this chapter shall be deemed to be the
25 employers of the employees of the corporation.

26 * Sec. 10. AS 23.05 is amended by adding a new section to read:

27 Sec. 23.05.300. PROVISIONS OF LAW MAY NOT BE WAIVED
28 BY AGREEMENT. Except as provided in sec. 220 of this chap-
29 ter, no provision of this chapter may be contravened or set

1 aside by private agreement.

2 * Sec. 11. This Act takes effect on the day after its passage
3 and approval or on the day it becomes law without such approval.

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