

1 **Wage Payment Amendments**

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kay J. Christofferson

2
3 **LONG TITLE**

4 **General Description:**

5 This bill modifies the payment of wages provisions.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ removes references that require an employee separating from an employer to provide a
9 written demand for payment; and

10 ▶ makes technical and conforming changes.

11 **Money Appropriated in this Bill:**

12 None

13 **Other Special Clauses:**

14 None

15 **Utah Code Sections Affected:**

16 AMENDS:

17 **34-28-5**, as last amended by Laws of Utah 2018, Chapter 307

18
19 *Be it enacted by the Legislature of the state of Utah:*

20 Section 1. Section **34-28-5** is amended to read:

21 **34-28-5 . Separation from payroll -- Resignation -- Cessation because of**
22 **industrial dispute.**

23 (1)(a) When an employer separates an employee from the employer's payroll:

24 (i) the unpaid wages of the employee become due immediately[~~ly~~]; and

25 (ii) the employer shall pay the wages to the employee within 24 hours of the time of
26 separation at the specified place of payment.

27 (b) An employer satisfies the 24-hour time requirement described in Subsection (1)(a) if:

28 (i)(A) the employer mails the wages to the employee; and

29 (B) the envelope that contains the wages is postmarked with a date that is no more
30 than one day after the day on which the employer separates the employee from
31 the employer's payroll; or

- 32 (ii) within 24 hours after the employer separates the employee from the employer's
 33 payroll, the employer:
- 34 (A) initiates a direct deposit of the wages into the employee's account; or
 35 (B) hand delivers the wages to the employee.
- 36 (c)(i) In case of failure to pay wages due an employee within 24 hours~~[of written~~
 37 ~~demand]~~, the wages of the employee shall continue, at the same rate that the
 38 employee received at the time of separation, from the date of [demand] separation
 39 until [paid, but in no event to exceed 60 days, at the same rate that the employee
 40 received at the time of separation.] the earlier of:
- 41 (A) the date of payment; or
 42 (B) 60 days after the date of separation.
- 43 (ii) The employee may recover the penalty ~~[thus-]~~accruing to the employee in a civil
 44 action.
- 45 (iii) ~~[This action shall be commenced.]~~ The employee shall commence an action to
 46 recover the penalty within 60 days from the date of separation.
- 47 ~~[(iii) An employee who has not made a written demand for payment is not entitled to~~
 48 ~~any penalty under this Subsection (1)(c).]~~
- 49 (2) If an employee~~[-]~~ does not have a written contract for a definite period and resigns~~[-]~~ the
 50 employee's employment, the wages earned and unpaid together with any deposit held by
 51 the employer and properly belonging to the resigned employee for the performance of
 52 the employee's employment duties become due and payable on the next regular payday.
- 53 (3) If work ceases as the result of an industrial dispute, the wages earned and unpaid at the
 54 time of this cessation become due and payable at the next regular payday, as provided in
 55 Section 34-28-3, including~~[-]~~ :
- 56 (a) ~~[without abatement or reduction, -]all amounts due[-all persons whose work has been~~
 57 ~~suspended as a result of the industrial dispute, together with]~~ without abatement or
 58 reduction; and
- 59 (b) any deposit or other guaranty held by the employer for the faithful performance of
 60 the duties of the employment.
- 61 (4) For a sales agent employed in whole or in part on a commission basis who has custody
 62 of accounts, money, or goods of the sales agent's principal, this section does not apply to
 63 the commission-based portion of the sales agent's earnings if the net amount due the
 64 agent is determined only after an audit or verification of sales, accounts, funds, or stocks.
- 65 Section 2. **Effective Date.**

66 This bill takes effect on May 7, 2025.