

PAYMENT OF WAGES AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen Mayne

House Sponsor: Mike K. McKell

LONG TITLE

General Description:

This bill modifies provisions relating to the payment of wages.

Highlighted Provisions:

This bill:

- ▶ addresses the methods by which an employer may pay an employee after the employer separates the employee from the employer's payroll.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

34-28-5, as last amended by Laws of Utah 2011, Chapter 297

Be it enacted by the Legislature of the state of Utah:

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

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

(1) (a) [~~Whenever~~] When an employer separates an employee from the employer's payroll the unpaid wages of the employee become due immediately, and the employer shall pay the wages to the employee within 24 hours of the time of separation at the specified place of payment.

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

31 if:

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

33 (B) the envelope that contains the wages is postmarked with a date that is no more than

34 one day after the day on which the employer separates the employee from the employer's

35 payroll; or

36 (ii) within 24 hours after the employer separates the employee from the employer's

37 payroll, the employer:

38 (A) initiates a direct deposit of the wages into the employee's account; or

39 (B) hand delivers the wages to the employee.

40 ~~[(b)]~~ (c) (i) In case of failure to pay wages due an employee within 24 hours of written
41 demand, the wages of the employee shall continue from the date of demand until paid, but in
42 no event to exceed 60 days, at the same rate that the employee received at the time of
43 separation.

44 (ii) The employee may recover the penalty thus accruing to the employee in a civil
45 action. This action shall be commenced within 60 days from the date of separation.

46 (iii) An employee who has not made a written demand for payment is not entitled to
47 any penalty under this Subsection (1)~~[(b)]~~(c).

48 (2) If an employee does not have a written contract for a definite period and resigns
49 the employee's employment, the wages earned and unpaid together with any deposit held by the
50 employer and properly belonging to the resigned employee for the performance of the
51 employee's employment duties become due and payable on the next regular payday.

52 (3) If work ceases as the result of an industrial dispute, the wages earned and unpaid at
53 the time of this cessation become due and payable at the next regular payday, as provided in
54 Section 34-28-3, including, without abatement or reduction, all amounts due all persons whose
55 work has been suspended as a result of the industrial dispute, together with any deposit or other
56 guaranty held by the employer for the faithful performance of the duties of the employment.

57 (4) This section does not apply to the earnings of a sales agent employed on a

58 commission basis who has custody of accounts, money, or goods of the sales agent's principal
59 if the net amount due the agent is determined only after an audit or verification of sales,
60 accounts, funds, or stocks.