

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	9 - 0 - 1
<b>Yeas:</b>	Barton, Fagan, Holvey, Kennemer, Matthews, Thompson, Weidner, Witt, Doherty
<b>Nays:</b>	0
<b>Exc.:</b>	Thatcher
<b>Prepared By:</b>	Jan Nordlund, Administrator
<b>Meeting Dates:</b>	2/6, 3/18

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**WHAT THE MEASURE DOES:** Authorizes Commissioner of Bureau of Labor and Industries to assess civil penalty up to \$1,000 for certain actions relating to employee payroll deductions.

**ISSUES DISCUSSED:**

- Existing Class D violation not preferred course for Bureau
- Ability to scale penalty for first offense
- Whether Bureau would regulate appearance of itemized statement
- Impact on small business owners

**EFFECT OF COMMITTEE AMENDMENT:** Removes proposed civil penalty for violation of statute governing itemized payroll statements.

**BACKGROUND:** The Commissioner of the Bureau of Labor and Industries currently has the authority to assess a civil penalty up to \$1,000 when an employer fails to pay the amount deducted from wages to the appropriate entity within the time specified by law or agreement, or within seven days if no law or agreement specifies a time. There are also statutory requirements that the employer provide an itemized statement indicating the amount and purpose of the any payroll deductions and that the employer not improperly withhold, deduct, or divert the employee's wages. However, the Commissioner is not able to assess a civil penalty for those violations. A violation of any part of the statute governing itemized statements and timely payment of deductions is a Class D criminal violation subject to a maximum fine of \$250.

House Bill 2112-A allows the Commissioner to assess a penalty against an employer for improperly withholding, deducting, or diverting employee wages. The measure does not allow the Commissioner to impose a penalty on an employer for an improperly prepared or provided itemized payroll statement.