

HB 3008 A STAFF MEASURE SUMMARY

Carrier: Rep. Malstrom

House Committee On Business and Labor

Action Date: 04/12/17

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 8-1-0-0

Yeas: 8 - Barreto, Bynum, Doherty, Evans, Fahey, Hack, Holvey, Kennemer

Nays: 1 - Heard

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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WHAT THE MEASURE DOES:

Prohibits employer from requiring employee to submit information related to hours worked or pay received when employer knows information is false. Provides that each pay period in which violation occurs or continues is a separate violation. Establishes private right of action. Allows court to award actual damages or \$1,000 per violation, whichever is greater, as well as injunctive relief, attorney fees and costs. Allows Commissioner of Bureau of Labor and Industries to assess civil penalty not to exceed \$1,000 per violation.

ISSUES DISCUSSED:

- Need to ensure people are paid for work performed
- Difficulty of proving wage theft occurred when employee's signature is on timecard
- Penalties collected generally go into the Common School Fund
- No existing penalty for falsifying timecards
- Burden on employee to show not all wages were paid
- Layers of regulations employers are subject to

EFFECT OF AMENDMENT:

Clarifies that employer may not require employee to create, file or sign wage and hour records containing information employer knows is false. Clarifies court and Commissioner shall count each pay period in which violation occurs or continues as separate violation.

BACKGROUND:

Wage theft is a problem that adversely and directly affects the employees who have the right to be paid for the work performed; indirect victims of wage theft are the employers who abide by all wage and hour laws and regulations and, thus, are at a competitive disadvantage with those who do not. Existing protections against wage theft often depend on the employee being able to provide a time sheet as evidence. House Bill 3008-A provides a private right of action for an employee who is compelled, coerced or otherwise induced by their employer to create, file or sign hour and wage documents that the employer knows is false.