
**Labor & Workforce Development
Committee**

HB 2332

Brief Description: Providing damages for wage violations.

Sponsors: Representatives Sawyer, Sells, Moscoso, Seaquist, Hunt, Green, Stanford, Hansen, Appleton, Reykdal, Ryu, Fitzgibbon, Bergquist, Goodman, Farrell, Ormsby, Pollet and Walkinshaw.

Brief Summary of Bill

- Provides that an employer that unlawfully collects a rebate from an employee's wages or willfully pays an employee lower wages than required is liable for triple damages, rather than double, in a civil action.

Hearing Date: 1/21/14

Staff: Trudes Tango (786-7384)

Background:

The state Minimum Wage Act, Wage Payment Act, and other laws establish standards for the payment of wages. It is unlawful for an employer to withhold an employee's wages, except under certain circumstances, or to willfully pay an employee less than the employer is obligated to pay. If the employer fails to pay an employee, the employee may file a wage complaint with the Department of Labor and Industries (Department) or bring a private cause of action in court.

If the employee files a wage complaint with the Department, the Department must investigate and will generally issue a citation and notice of assessment or a determination of compliance within 60 days after the complaint is filed. If the Department has determined that an employer has violated a wage payment requirement, the Department may order the employer to pay any unpaid wages due plus interest. If the Department determines the nonpayment was willful, the Department may order the employer to pay a civil penalty of the greater of \$1,000 or 10 percent

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of the unpaid wages, up to \$20,000. "Willful" means a knowing and intentional action that is neither accidental nor the result of a bona fide dispute. The Department has discretion to waive the civil penalty, and under certain circumstances the Department may not assess a penalty. The Department must waive any civil penalty if the employer is not a repeat willful violator and the employer has paid the employee within 10 days of receiving the citation and notice of assessment.

If the employer pays the employee and the employee accepts payment of the unpaid wages and interest, the employee may not bring a civil action in court.

If the employee files a civil action instead of a wage complaint, the employee may recover double the amount of the unpaid wages, plus attorneys' fees and costs, if the employer unlawfully collected a rebate of any part of the employee's wages or willfully and with intent to deprive the employee of wages paid the employee a lower wage than required. The double damages provision is not available if the employee knowingly submitted to the wage violation.

Summary of Bill:

Changes are made to the statute applicable to an employee bringing a civil suit. An employer is liable for treble damages, rather than double, if the employer made an unlawful rebate or willfully and with intent to deprive the employee of wages paid a lower wage than required. The provision barring an employee from obtaining higher damages if the employee knowingly submitted to the wage violation is removed.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.