

Adopted Rejected

COMMITTEE REPORT

YES: **7**
NO: **4**

MR. SPEAKER:

*Your Committee on Employment and Labor, to which was referred Senate Bill 117, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 22-2-6-2 IS AMENDED TO READ AS
- 4 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) Any assignment
- 5 of the wages of an employee is valid only if all of the following
- 6 conditions are satisfied:
- 7 (1) The assignment is:
- 8 (A) in writing;
- 9 (B) signed by the employee personally;
- 10 (C) by its terms revocable at any time by the employee upon
- 11 written notice to the employer; and
- 12 (D) agreed to in writing by the employer.
- 13 (2) An executed copy of the assignment is delivered to the
- 14 employer within ten (10) days after its execution.
- 15 (3) The assignment is made for a purpose described in subsection

1 (b).

2 (b) A wage assignment under this section may be made for the
3 purpose of paying any of the following:

4 (1) Premium on a policy of insurance obtained for the employee
5 by the employer.

6 (2) Pledge or contribution of the employee to a charitable or
7 nonprofit organization.

8 (3) Purchase price of bonds or securities, issued or guaranteed by
9 the United States.

10 (4) Purchase price of shares of stock, or fractional interests
11 therein, of the employing company, or of a company owning the
12 majority of the issued and outstanding stock of the employing
13 company, whether purchased from such company, in the open
14 market or otherwise. However, if such shares are to be purchased
15 on installments pursuant to a written purchase agreement, the
16 employee has the right under the purchase agreement at any time
17 before completing purchase of such shares to cancel said
18 agreement and to have repaid promptly the amount of all
19 installment payments which theretofore have been made.

20 (5) Dues to become owing by the employee to a labor
21 organization of which the employee is a member.

22 (6) Purchase price of merchandise sold by the employer to the
23 employee, at the written request of the employee.

24 (7) Amount of a loan made to the employee by the employer and
25 evidenced by a written instrument executed by the employee
26 subject to the amount limits set forth in section 4(c) of this
27 chapter.

28 (8) Contributions, assessments, or dues of the employee to a
29 hospital service or a surgical or medical expense plan or to an
30 employees' association, trust, or plan existing for the purpose of
31 paying pensions or other benefits to said employee or to others
32 designated by the employee.

33 (9) Payment to any credit union, nonprofit organizations, or
34 associations of employees of such employer organized under any
35 law of this state or of the United States.

36 (10) Payment to any person or organization regulated under the
37 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit
38 to the employee's account by electronic transfer or as otherwise

- 1 designated by the employee.
- 2 (11) Premiums on policies of insurance and annuities purchased
- 3 by the employee on the employee's life.
- 4 (12) The purchase price of shares or fractional interest in shares
- 5 in one (1) or more mutual funds.
- 6 (13) A judgment owed by the employee if the payment:
- 7 (A) is made in accordance with an agreement between the
- 8 employee and the creditor; and
- 9 (B) is not a garnishment under IC 34-25-3.
- 10 **(14) Payment for the purchase or maintenance of uniforms**
- 11 **worn by the employee while performing duties for the**
- 12 **employer.**
- 13 **(15) Payment for the purchase of tools and portable**
- 14 **equipment used by the employee while performing duties for**
- 15 **the employer.**

16 SECTION 2. IC 22-2-9-5 IS AMENDED TO READ AS
 17 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. (a) The
 18 commissioner of labor is hereby authorized to take assignments of wage
 19 claims of less than ~~eight hundred dollars (\$800.00)~~, **three thousand**
 20 **dollars (\$3,000)**, rights of action for penalties, mechanics and other
 21 liens of workers, without being bound by any of the technical rules with
 22 reference to the validity of such assignments; and shall have power and
 23 authority to prosecute actions for the collection of such claims of
 24 persons who, in the judgment of the commissioner:

- 25 (1) are entitled to the services of the commissioner; and ~~who, in~~
- 26 ~~his judgment;~~
- 27 (2) have claims which are valid and enforceable in the court.
- 28 (b) The commissioner shall have power to join various claimants in
- 29 one (1) preferred claim or lien, and, in case of suit, to join them in one
- 30 (1) cause of action."

31 Page 1, after line 15, begin a new paragraph and insert:
 32 "SECTION 4. IC 22-5-6 IS ADDED TO THE INDIANA CODE AS
 33 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
 34 1, 2006]:

- 35 **Chapter 6. Employer Sales to Employees**
- 36 **Sec. 1. An employer may not sell to an employee of the**
- 37 **employer:**
- 38 (1) **merchandise; or**

1 **(2) supplies;**
2 **at a price higher than the price at which the employer sells the**
3 **merchandise or supplies for cash to another person who is not an**
4 **employee of the employer.**
5 **Sec. 2. A person who violates section 1 of this chapter commits**
6 **a Class C infraction.**
7 SECTION 5. IC 22-2-4 IS REPEALED [EFFECTIVE JULY 1,
8 2006].
9 SECTION 6. [EFFECTIVE JULY 1, 2006] **IC 22-2-9-5, as**
10 **amended by this act, applies to wage claims filed with the**
11 **commissioner of labor after June 30, 2006."**
12 Renumber all SECTIONS consecutively.
 (Reference is to SB 117 as reprinted January 25, 2006.)

and when so amended that said bill do pass.

Representative Torr