

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.

1 (3) The assignment is made for a purpose described in subsection
2 (b).

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

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

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

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

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

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

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

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

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

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

37 (10) Payment to any person or organization regulated under the
38 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit

1 to the employee's account by electronic transfer or as otherwise
2 designated by the employee.

3 (11) Premiums on policies of insurance and annuities purchased
4 by the employee on the employee's life.

5 (12) The purchase price of shares or fractional interest in shares
6 in one (1) or more mutual funds.

7 (13) A judgment owed by the employee if the payment:

8 (A) is made in accordance with an agreement between the
9 employee and the creditor; and

10 (B) is not a garnishment under IC 34-25-3.

11 **(14) Payment for the purchase or maintenance of uniforms
12 worn by the employee while performing duties for the
13 employer.**

14 **(15) Payment for the purchase of tools and portable
15 equipment used by the employee while performing duties for
16 the employer.**

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

26 (1) are entitled to the services of the commissioner; and ~~who, in~~
27 ~~his judgment,~~

28 (2) have claims which are valid and enforceable in the court.

29 (b) The commissioner shall have power to join various claimants in
30 one (1) preferred claim or lien, and, in case of suit, to join them in one
31 (1) cause of action."

32 Page 1, after line 15, begin a new paragraph and insert:

33 "SECTION 4. IC 22-5-6 IS ADDED TO THE INDIANA CODE AS
34 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
35 1, 2006]:

36 **Chapter 6. Employer Sales to Employees**

37 **Sec. 1. An employer may not sell to an employee of the
38 employer:**

1 **(1) merchandise; or**
2 **(2) supplies;**
3 **at a price higher than the price at which the employer sells the**
4 **merchandise or supplies for cash to another person who is not an**
5 **employee of the employer.**

6 **Sec. 2. A person who violates section 1 of this chapter commits**
7 **a Class C infraction.**

8 SECTION 5. IC 22-2-4 IS REPEALED [EFFECTIVE JULY 1,
9 2006].

10 SECTION 6. [EFFECTIVE JULY 1, 2006] **IC 22-2-9-5, as**
11 **amended by this act, applies to wage claims filed with the**
12 **commissioner of labor after June 30, 2006."**

13 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