

# HOUSE BILL No. 1287

---

## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-2-6-2.

**Synopsis:** Wage assignments. Permits a wage assignment for any purpose described in a written agreement between an employee and an employer.

**Effective:** July 1, 2010.

---

---

**Borrer, Leonard**

---

---

January 12, 2010, read first time and referred to Committee on Rules and Legislative Procedures.

---

---

C  
O  
P  
Y



Second Regular Session 116th General Assembly (2010)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2009 Regular and Special Sessions of the General Assembly.

C  
o  
p  
y

# HOUSE BILL No. 1287



A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 22-2-6-2 IS AMENDED TO READ AS FOLLOWS
- 2 [EFFECTIVE JULY 1, 2010]: Sec. 2. (a) Any assignment of the wages
- 3 of an employee is valid only if all of the following conditions are
- 4 satisfied:
- 5 (1) The assignment is:
- 6 (A) in writing;
- 7 (B) signed by the employee personally;
- 8 (C) by its terms revocable at any time by the employee upon
- 9 written notice to the employer; and
- 10 (D) agreed to in writing by the employer.
- 11 (2) An executed copy of the assignment is delivered to the
- 12 employer within ten (10) days after its execution.
- 13 (3) The assignment is made for a purpose described in subsection
- 14 (b).
- 15 (b) A wage assignment under this section may be made for the
- 16 purpose of paying any of the following:
- 17 (1) Premium on a policy of insurance obtained for the employee



- 1 by the employer.
- 2 (2) Pledge or contribution of the employee to a charitable or
- 3 nonprofit organization.
- 4 (3) Purchase price of bonds or securities, issued or guaranteed by
- 5 the United States.
- 6 (4) Purchase price of shares of stock, or fractional interests
- 7 therein, of the employing company, or of a company owning the
- 8 majority of the issued and outstanding stock of the employing
- 9 company, whether purchased from such company, in the open
- 10 market or otherwise. However, if such shares are to be purchased
- 11 on installments pursuant to a written purchase agreement, the
- 12 employee has the right under the purchase agreement at any time
- 13 before completing purchase of such shares to cancel said
- 14 agreement and to have repaid promptly the amount of all
- 15 installment payments which theretofore have been made.
- 16 (5) Dues to become owing by the employee to a labor
- 17 organization of which the employee is a member.
- 18 (6) Purchase price of merchandise sold by the employer to the
- 19 employee, at the written request of the employee.
- 20 (7) Amount of a loan made to the employee by the employer and
- 21 evidenced by a written instrument executed by the employee
- 22 subject to the amount limits set forth in section 4(c) of this
- 23 chapter.
- 24 (8) Contributions, assessments, or dues of the employee to a
- 25 hospital service or a surgical or medical expense plan or to an
- 26 employees' association, trust, or plan existing for the purpose of
- 27 paying pensions or other benefits to said employee or to others
- 28 designated by the employee.
- 29 (9) Payment to any credit union, nonprofit organizations, or
- 30 associations of employees of such employer organized under any
- 31 law of this state or of the United States.
- 32 (10) Payment to any person or organization regulated under the
- 33 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit
- 34 to the employee's account by electronic transfer or as otherwise
- 35 designated by the employee.
- 36 (11) Premiums on policies of insurance and annuities purchased
- 37 by the employee on the employee's life.
- 38 (12) The purchase price of shares or fractional interest in shares
- 39 in one (1) or more mutual funds.
- 40 (13) A judgment owed by the employee if the payment:
- 41 (A) is made in accordance with an agreement between the
- 42 employee and the creditor; and

C  
o  
p  
y



1                   (B) is not a garnishment under IC 34-25-3.  
2           **(14) Subject to any limitations imposed by federal or state**  
3           **law, payments for any purpose described in a written**  
4           **agreement between an employee and an employer.**

**C**  
**O**  
**P**  
**Y**

