



February 13, 2007

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## SENATE BILL No. 276

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DIGEST OF SB 276 (Updated February 7, 2007 12:01 pm - DI 102)

**Citations Affected:** IC 22-2; noncode.

**Synopsis:** Wage payments. Requires an employer to pay all wages earned to a date not more than ten business days before the payment date. (Current law does not state the requirement in terms of business days.) Defines business day for the purpose of wage payments, and applies the term to claims for wages earned before, on, or after July 1, 2007.

**Effective:** July 1, 2007.

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**Kruse, Hume, Mishler**

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January 8, 2007, read first time and referred to Committee on Pensions and Labor.  
February 12, 2007, amended, reported favorably — Do Pass.

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SB 276—LS 7378/DI 102+



February 13, 2007

First Regular Session 115th General Assembly (2007)

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 2006 Regular Session of the General Assembly.

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## SENATE BILL No. 276



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 22-2-5-0.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2007]: **Sec. 0.5. As used in this chapter, "business day" means a**  
4 **day other than Saturday, Sunday, or a legal holiday (as defined in**  
5 **IC 1-1-9-1).**

6 SECTION 2. IC 22-2-5-1 IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Every person, firm,  
8 corporation, limited liability company, or association, their trustees,  
9 lessees, or receivers appointed by any court, doing business in Indiana,  
10 shall pay each employee at least semimonthly or biweekly, if requested,  
11 the amount due the employee. The payment shall be made in lawful  
12 money of the United States, by negotiable check, draft, or money order,  
13 or by electronic transfer to the financial institution designated by the  
14 employee. Any contract in violation of this subsection is void.

15 (b) Payment shall be made for all wages earned to a date not more  
16 than ten (10) **business** days prior to the date of payment. However, this  
17 subsection does not prevent payments being made at shorter intervals

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1 than specified in this subsection, nor repeal any law providing for  
 2 payments at shorter intervals. However, if an employee voluntarily  
 3 leaves employment, either permanently or temporarily, the employer  
 4 shall not be required to pay the employee an amount due the employee  
 5 until the next usual and regular day for payment of wages, as  
 6 established by the employer. If an employee leaves employment  
 7 voluntarily, and without the employee's whereabouts or address being  
 8 known to the employer, the employer is not subject to section 2 of this  
 9 chapter until:

- 10 (1) ten (10) **business** days have elapsed after the employee has
- 11 made a demand for the wages due the employee; or
- 12 (2) the employee has furnished the employer with the employee's
- 13 address where the wages may be sent or forwarded.

14 SECTION 3. [EFFECTIVE JULY 1, 2007] (a) **IC 22-2-5-1, as**  
 15 **amended by this act, applies to claims for wages earned before, on,**  
 16 **or after July 1, 2007.**

17 (b) **Having received and considered testimony concerning the**  
 18 **customary and usual wage payment practices of employers, it is the**  
 19 **intent of the general assembly that the ten (10) day period**  
 20 **referenced in IC 22-2-5-1, before its amendment by this act, be**  
 21 **construed as ten (10) business days (as defined in IC 22-2-5-0.5, as**  
 22 **added by this act).**

23 (c) **This SECTION expires July 1, 2017.**

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SENATE MOTION

Madam President: I move that Senator Hume be added as second author of Senate Bill 276.

KRUSE

SENATE MOTION

Madam President: I move that Senator Mishler be added as third author of Senate Bill 276.

KRUSE

COMMITTEE REPORT

Madam President: The Senate Committee on Pensions and Labor, to which was referred Senate Bill No. 276, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 22-2-5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 0.5. As used in this chapter, "business day" means a day other than Saturday, Sunday, or a legal holiday (as defined in IC 1-1-9-1).**"

Page 2, after line 8, begin a new paragraph and insert:

"SECTION 3. [EFFECTIVE JULY 1, 2007] (a) **IC 22-2-5-1, as amended by this act, applies to claims for wages earned before, on, or after July 1, 2007.**

(b) **Having received and considered testimony concerning the customary and usual wage payment practices of employers, it is the intent of the general assembly that the ten (10) day period referenced in IC 22-2-5-1, before its amendment by this act, be construed as ten (10) business days (as defined in IC 22-2-5-0.5, as added by this act).**

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**(c) This SECTION expires July 1, 2017."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 276 as introduced.)

KRUSE, Chairperson

Committee Vote: Yeas 8, Nays 0.

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