Department of Planning and Budget
2019 Fiscal Impact Statement

1. **Bill Number:** HB2349

House of Origin	☒ Introduced	☐ Substitute	☐ Engrossed
Second House	☐ In Committee	☐ Substitute	☐ Enrolled

2. **Patron:** Leftwich

3. **Committee:** Commerce and Labor

4. **Title:** Nonpayment of wages; investigations.

5. **Summary:** This bill authorizes the Commissioner of Labor and Industry, if he acquires information during an investigation of a complaint of an employer's failure or refusal to pay wages that creates a reasonable belief that other employees of the same employer may not have been paid wages, to investigate whether the employer has failed or refused to make a required payment of wages to other employees. The measure also provides that if the Commissioner finds in the course of such investigation that the employer has committed a violation, the Commissioner may institute proceedings on behalf of any employee against his employer. In such proceedings, the Commissioner is not required to have obtained a written complaint of the violation or the written and signed consent of any employee.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Indeterminate, see item 8.

8. **Fiscal Implications:** The fiscal impact of this bill is indeterminate. The Department of Labor and Industry (DOLI) anticipates that additional inspections will be conducted as a result of this bill, however, the number of additional claims the agency will receive is unknown. Currently, most investigations are limited to information concerning the complainant for the particular wage claim.

   The penalty for knowingly failing to make payment of wages is a civil penalty not to exceed $1,000 for each violation; civil penalties are deposited to the general fund. The punishment for an employer who willfully and with intent to defraud, fails or refuses to pay wages earned is a Class 1 misdemeanor or a Class 6 felony.

9. **Specific Agency or Political Subdivisions Affected:** Department of Labor and Industry, courts.

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** None.