

BILL ANALYSIS

Senate Research Center

S.B. 167
By: Harris
Economic Development
4-11-97
As Filed

DIGEST

Currently, Section 61.019, Labor Code, provides that an employer commits a third degree felony when the employer fails to pay wages demanded by an employee, and the employer had hired the employee with no intention of paying such wages. Texas law is unclear as to whether an employer who deliberately intends not to pay an employee's wages, but continues to employ that employee, is subject to any penalty. This bill would expand the employer's liability to include instances in which the employer intentionally avoids payment of wages to an employee who continues to work for the employer and unsuccessfully demands payment of such wages.

PURPOSE

As proposed, S.B. 167 expands the criminal liability of employers who fail to pay employees in instances in which the employee continues to work for the employer and makes a demand for such wages.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 61.019, Labor Code, by amending Subsection (b) and by adding Subsections (c) and (d), to provide that an employer commits a third degree felony if the employer intentionally avoids payment of wages owed to an employee; continues to employ the employee; and fails, after demand, to pay those wages. Provides that an employer commits a separate third degree felony for each pay period in which the employee earns wages that the employer fails to pay. Makes a conforming change.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 1997.

SECTION 4. Emergency clause.