

Senate Bill 403

By: Senators Henson of the 41st, Butler of the 55th, Ramsey, Sr. of the 43rd, Reed of the 35th and Tate of the 38th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 1 of Chapter 7 of Title 34 of the Official Code of Georgia Annotated,
2 relating to the master and servant employment relationship generally, so as to provide for
3 prompt payment of wages to an employee following his or her resignation or discharge; to
4 provide for penalties; to provide for related matters; to provide for an effective date and
5 applicability; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 7 of Title 34 of the Official Code of Georgia Annotated, relating to the
9 master and servant employment relationship generally, is amended by adding a new Code
10 section to read as follows:

11 "34-7-7.

12 (a) Upon the discharge of any laborer or other employee of any kind whatever, it shall be
13 the duty of the person employing such laborer or other employee to pay the amount then
14 due under the terms of employment, whether the employment is by the hour, day, week,
15 or month, on or before the next regular payday for the pay cycle during which the
16 employee was working at the time of separation or no later than ten days following the date
17 of discharge, whichever occurs first.

18 (b) Upon the resignation of any laborer or other employee of any kind whatever, it shall
19 be the duty of the person employing such laborer or other employee to pay the amount then
20 due under the terms of employment, whether the employment is by the hour, day, week,
21 or month, on or before the next regular payday for the pay cycle during which the
22 employee was working at the time of separation or no later than ten days following the date
23 of resignation, whichever occurs first.

24 (c) Payment shall be made at the place and in the manner which has been customary
25 during the employment, except that payment may be made via United States mail to the
26 laborer or other employee, provided postage has been prepaid and the envelope properly

1 addressed with the employee's or laborer's current address as shown in the employer's
2 records. In the event payment is made by mail, the employer shall be deemed to have made
3 such payment when it is mailed. The timeliness of the mailing may be shown by an official
4 United States postmark or other official documentation from the United States Postal
5 Service.

6 (d) The provisions of this Code section shall not apply when there is a collective
7 bargaining agreement between the employer and the laborer or other employee which
8 provides otherwise.

9 (e) In the event of a dispute as to the amount due under this Code section, the employer
10 shall pay the undisputed portion of the amount due as provided for in subsections (a) and
11 (b) of this Code section. The employee shall have the right to file an action to enforce the
12 remainder of his or her wage claim.

13 (f) For purposes of this Code section, vacation pay will be considered an amount then due
14 only if, in accordance with the stated vacation policy of the person employing such laborer
15 or other employee, both of the following apply:

16 (1) The laborer or other employee is deemed eligible for and has accrued the right to take
17 vacation time with pay; and

18 (2) The laborer or other employee has not taken or been compensated for the vacation
19 time as of the date of the discharge or resignation.

20 The provisions of this subsection shall not be interpreted to allow the forfeiture of any
21 vacation pay actually earned by an employee pursuant to the employer's policy.

22 (g) Any employer who fails or refuses to comply with the provisions of this Code section
23 shall be liable to the employee either for 30 days' wages at the employee's daily rate of pay
24 or else for full wages from the time the employee's demand for payment is made until the
25 employer shall pay or tender the amount of unpaid wages due to such employee, whichever
26 is the lesser amount of penalty wages. Reasonable attorney fees shall be allowed the
27 laborer or employee by the court in the event a well-founded suit for any unpaid wages is
28 filed by the laborer or employee after ten days have elapsed from the time of making a
29 demand for payment of the amount then due following discharge or resignation."

30 SECTION 2.

31 This Act shall become effective on July 1, 2008, and shall be applied only to disputes arising
32 on or after that date.

33 SECTION 3.

34 All laws and parts of laws in conflict with this Act are repealed.