

SESSION OF 2013

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2179**

As Amended by House Committee on  
Commerce, Labor and Economic Development

**Brief\***

HB 2179, as amended, would revise the Wage Payment Act. The bill would grant to the Secretary of the Department of Labor the discretion, after the administrative hearing process, to accept assignment of employees' wage claims that are less than \$10,000.

Under current law, the Secretary is mandated to accept unpaid wage claims that are less than \$10,000. For claim amounts equal to or greater than \$10,000, the Secretary currently has the discretion to accept assignment. The Department of Labor then attempts to collect the unpaid wages from the employer. If the Department is successful, the agency is awarded an additional amount equal to the cost of reasonable attorney fees.

**Background**

The bill was introduced at the request of the Department of Labor. A representative of the Labor Department spoke in favor of the original bill at the House Committee hearing, stating the Department would continue to assist employees to settle wage disputes administratively. If administrative proceedings determined an employee was owed wages, it would then be the responsibility of the employee to collect the amount owed.

A representative of the Carpenters' District Council spoke in opposition to the bill, stating an employee may not

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

be able to afford to pursue the claim in court.

The House Committee on Commerce, Labor and Economic Development amended the bill by reinserting the language proposed to be repealed. The Committee then inserted language giving the Labor Secretary discretion to accept wage claims that are less than \$10,000. The Committee also made a technical amendment, deleting the word "assessment" and inserting "assignment."

According to the fiscal note prepared by the Division of the Budget, in consultation with the Department of Labor and the Judicial Branch, the bill, as introduced, would have a negligible reduction in revenues from attorney fees collected by the Labor Department. The bill would have no effect on the Judicial Branch.