

ASSEMBLY BILL

No. 3002

Introduced by Assembly Member Aghazarian

February 24, 2006

An act to amend Section 213 of the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 3002, as introduced, Aghazarian. Limitations: wage payment.

Existing law provides limitations on the requirements for payment of wages contained in Section 212 of the Labor Code. Existing law permits an employer to guarantee payment of bills incurred by an employee for necessities of life or work. Existing law also permits an employer to make direct deposits to an employee's bank account for wages earned or wage advances, with the employee's permission. Existing law exempts certain public and quasi-public entities from the requirements of Section 212. Violations of this provision constitute a misdemeanor.

This bill would make technical, nonsubstantive changes to this section.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 213 of the Labor Code is amended to
2 read:
3 213. Nothing contained in Section 212 shall:
4 (a) Prohibit an employer from guaranteeing the payment of
5 bills incurred by an employee for the necessities of life, or for

1 the tools and implements used by the employee in the
2 performance of his or her duties.

3 (b) Apply to counties, municipal corporations, quasi-municipal
4 corporations, or school districts.

5 (c) Apply to students of nonprofit schools, colleges,
6 universities, and other nonprofit educational institutions.

7 (d) Prohibit an employer from depositing wages due, or to
8 become due, or an advance on wages to be earned in an account
9 in any bank, savings and loan association, or credit union of the
10 employee's choice with a place of business located in this state,
11 provided that the employee has voluntarily authorized that
12 deposit. If an employer discharges an employee or the employee
13 quits, the employer may pay the wages earned and unpaid at the
14 time the employee is discharged, or quits, by making a deposit
15 authorized pursuant to this subdivision, provided that the
16 employer complies with the provisions of this article relating to
17 the payment of wages upon termination or quitting of
18 employment.