

ASSEMBLY BILL

No. 197

Introduced by Assembly Member Monning

January 27, 2011

An act to amend Section 1194.2 of the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 197, as introduced, Monning. Recovery of wages: liquidated damages.

Under existing law, in a court action to recover wages unpaid in violation of the minimum wage set by the Industrial Welfare Commission within the Department of Industrial Relations, the court may award liquidated damages to an employee equal to the amount of wages unlawfully unpaid, plus interest.

This bill would increase the amount of liquidated damages that may be awarded to an employee to twice the amount of the wages unlawfully unpaid, plus interest.

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 1194.2 of the Labor Code is amended to
2 read:
3 1194.2. (a) In any action under Section 1193.6 or Section 1194
4 to recover wages because of the payment of a wage less than the
5 minimum wage fixed by an order of the commission, an employee
6 shall be entitled to recover liquidated damages in an amount equal

1 to *twice* the wages unlawfully unpaid and interest thereon. Nothing
2 in this subdivision shall be construed to authorize the recovery of
3 liquidated damages for failure to pay overtime compensation.

4 (b) Notwithstanding subdivision (a), if the employer
5 demonstrates to the satisfaction of the court that the act or omission
6 giving rise to the action was in good faith and that the employer
7 had reasonable grounds for believing that the act or omission was
8 not a violation of any provision of the Labor Code relating to
9 minimum wage, or an order of the commission, the court may, in
10 its discretion, refuse to award liquidated damages or award any
11 amount of liquidated damages not exceeding the amount specified
12 in subdivision (a).

13 (c) This section only ~~shall apply~~ *applies* to civil actions
14 commenced on or after January 1, 1992.