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## CHAPTER 55

[Engrossed Senate Bill No. 261]

WAGES--PAYMENT--  
COLLECTION

AN ACT Relating to wages; amending section 1, chapter 128, Laws of 1888, as last amended by section 1, chapter 181, Laws of 1947 and RCW 49.48.010; amending section 2, chapter 128, Laws of 1888 as amended by section 1, chapter 20, Laws of 1933 ex. sess. and RCW 49.48.020; amending section 3, chapter 128, Laws of 1888 and RCW 49.48.030; amending section 3, chapter 96, Laws of 1935, and RCW 49.48.060; repealing section 2, chapter 181, Laws of 1947 and RCW 49.48.110; and prescribing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 1, chapter 128, Laws of 1888 as last amended by section 1, chapter 181, Laws of 1947 and RCW 49.48.010 are each amended to read as follows:

{1} It shall not be lawful for any corporation, person or firm engaged in manufacturing of any kind in this state, mining, railroading, constructing railroads, or any business or enterprise of whatsoever kind in this state, to issue, pay out or circulate for payment of wages of any labor, any order, check, memorandum, token or evidence of indebtedness, payable in whole or in part otherwise than in lawful money of the United States, unless the same is negotiable and redeemable at its face value, without discount, in cash or on demand, at the store or other place of business of such firm, person, or corporation when the same is issued, and the person who, or company which may issue any such order, check, memorandum, token or other evidence of indebtedness, shall upon presentation and demand redeem the same in lawful money of the United States. And when any laborer performing work or labor as above shall cease to work, whether by discharge or by voluntary withdrawal, the wages due shall be forthwith paid either in cash or by order redeemable in cash at its face value on presentation at bank, store, commissary, or other place in the county where the labor was performed: PROVIDED, Such order may be given payable in another county when the place of employment is more convenient of access to the employee.

{2} The second sentence of the preceding subsection shall not

apply when workers are engaged in an employment that normally involves working for several employers in the same industry interchangeably; and the several employers or some of them cooperate to establish a plan for the weekly payment of wages at a central place or places and in accordance with a unified schedule of paydays providing for at least one payday each week; but this subsection shall not apply to any such plan until ten days after notice of their intention to set up such a plan shall have been given to the director of labor and industries by the employers who cooperate to establish the plan; and having once been established, no such plan can be abandoned except after notice of their intention to abandon such plan has been given to the director of labor and industries by the employers intending to abandon the plan:))

When any employee shall cease to work for an employer, whether by discharge or by voluntary withdrawal, the wages due him on account of his employment shall be paid to him at the end of the established pay period: PROVIDED, HOWEVER, That this paragraph shall not apply when workers are engaged in an employment that normally involves working for several employers in the same industry interchangeably, and the several employers or some of them cooperate to establish a plan for the weekly payment of wages at a central place or places and in accordance with a unified schedule of paydays providing for at least one payday each week; but this subsection shall not apply to any such plan until ten days after notice of their intention to set up such a plan shall have been given to the director of labor and industries by the employers who cooperate to establish the plan; and having once been established, no such plan can be abandoned except after notice of their intention to abandon such plan has been given to the director of labor and industries by the employers intending to abandon the plan: PROVIDED FURTHER, That the duty to pay an employee forthwith shall not apply if the labor-management agreement under which the employee has been employed provides otherwise.

It shall be unlawful for any employer to withhold or divert any portion of an employee's wages unless the deduction is:

- (1) Required by state or federal law; or
- (2) Specifically agreed upon orally or in writing by the employee and employer; or
- (3) For medical, surgical or hospital care or service, pursuant to any rule or regulation: PROVIDED, HOWEVER, That the deduction is openly, clearly and in due course recorded in the employer's books and records.

Paragraph three of this section shall not be construed to affect the right of any employer or former employer to sue upon or collect any debt owed to said employer or former employer by his employees or former employees.

Sec. 2. Section 2, chapter 128, Laws of 1888 as amended by section 1, chapter 20, Laws of 1933 ex. sess. and RCW 49.48.020 are each amended to read as follows:

((Any officer or agent of any corporation, or any person, firm, or company engaged in the business of manufacturing of any kind in this state, mining, railroading, constructing railroads, or any other business or enterprise of whatsoever kind in this state, who by themselves or agents shall issue or circulate, in payment for wages of labor, any order, check, memorandum, token, or evidence of indebtedness, payable in whole or in part otherwise than in lawful money of the United States, without being payable as required by RCW 49.48.040, or who shall fail to redeem the same when presented for payment or demand on said company or its agent, at his or their office or place of business, in lawful money of the United States, where the said order, check, memorandum, token or evidence of indebtedness was issued, or who shall compel or attempt to coerce any employee of any such corporation, person, firm, or company to purchase meals, lodging, goods, wares, merchandise or supplies from any particular person, firm or corporation, shall be guilty of a misdemeanor, and on conviction thereof shall be fined in any sum not exceeding three hundred dollars, or upon failure to pay such fine, to be imprisoned in the jail of the county where the misdemeanor is committed, until the said fine is exhausted by imprisonment as provided by the laws of this state, for each and every offense-))

Any person, firm, or corporation which violates any of the provisions of this 1971 amendatory act shall be guilty of a misdemeanor.

Sec. 3. Section 3, chapter 128, Laws of 1888 and RCW 49.48.030 are each amended to read as follows:

((And whenever any person or persons, company or corporation is compelled to sue for the recovery of the face value of the check, memorandum, token or evidence of indebtedness, issued or circulated for the payment of wages for labor, by reason of the failure of any person, firm, company or person [corporation] issuing the same failing or refusing to pay the same on demand, as provided by RCW 49.48.040, then in such case, if judgment should be granted the plaintiff, the court shall tax an attorney's fee of not less than ten nor more than twenty-five dollars to said judgment, and the further sum of twenty-five dollars as damages to the plaintiff, suffered by the plaintiff by reason of being compelled to sue the said claim: PROVIDED, That no plaintiff shall recover more than the face value of his said claim where the payment is refused by reason of a dispute as to the ownership of the said claim, or where it appears satisfactorily to the court or jury that the defendant had a sufficient excuse for the refusal of the payment of the said claim;

the burden to prove the said sufficient excuse being on the defendant; and should the court or jury find such sufficient excuse, the same is to be specified in the judgment or verdict of said court or jury.)

In any action in which any person is successful in recovering judgment for wages or salary owed to him, reasonable attorney's fees, in an amount to be determined by the court, shall be assessed against said employer or former employer: PROVIDED, HOWEVER, That this section shall not apply if the amount of recovery is less than or equal to the amount admitted by the employer to be owing for said wages or salary.

Sec. 4. Section 3, chapter 96, Laws of 1935, and RCW 49.48.060 are each amended to read as follows:

(Any person, firm, association, or corporation, or agent, manager, superintendent, or officer thereof, who having the ability to pay, shall wilfully refuse to pay the wages due and payable when demanded, as herein provided, or falsely deny the amount or validity thereof, or that the same is due, with intent to secure for himself, his employer, or other person, any discount upon such indebtedness, or with intent to annoy, harass, or oppress, or hinder, or delay, or defraud, the person to whom such indebtedness is due, shall, in addition to any other penalty imposed upon him by RCW 49.48.040 through 49.48.080, be guilty of a misdemeanor.)

(1) If upon investigation by the director, after taking assignments of any wage claim under RCW 49.48.040, it appears to the director that the employer is representing to his employees that he is able to pay wages for their services and that the employees are not being paid for their services, the director may require the employer to give a bond in such sum as the director deems reasonable and adequate in the circumstances, with sufficient surety, conditioned that the employer will for a definite future period not exceeding six months conduct his business and pay his employees in accordance with the laws of the state of Washington,

(2) If within ten days after demand for such bond the employer fails to provide the same, the director may commence a suit against the employer in the superior court of appropriate jurisdiction to compel him to furnish such bond or cease doing business until he has done so. The employer shall have the burden of proving the amount thereof to be excessive.

(3) If the court finds that there is just cause for requiring such bond and that the same is reasonable, necessary or appropriate to secure the prompt payment of the wages of the employees of such employer and his compliance with RCW 49.48.010 through 49.48.080 and the provisions of this 1971 amendatory act, the court shall enjoin such employer from doing business in this state until the requirement

is met, or shall make other, and may make further, orders appropriate to compel compliance with the requirement.

Upon being informed of a wage claim against an employer or former employer, the director shall, if such claim appears to be just, immediately notify the employer or former employer, of such claim by mail. If the employer or former employer fails to pay the claim or make satisfactory explanation to the director of his failure to do so, within thirty days thereafter, the employer or former employer shall be liable to a penalty of ten percent of that portion of the claim found to be justly due. The director shall have a cause of action against the employer or former employer for the recovery of such penalty, and the same may be included in any subsequent action by the director on said wage claim, or may be exercised separately after adjustment of such wage claim without court action.

NEW SECTION. Sec. 5. Section 2, chapter 181, Laws of 1947 and RCW 49.48.110 are each repealed.

Passed the Senate April 21, 1971.

Passed the House April 19, 1971.

Approved by the Governor May 6, 1971.

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CHAPTER 56

[Engrossed Senate Bill No. 419]

HIGHER EDUCATION--

TUITION SUPPLEMENT PROGRAM

AN ACT Relating to education; and authorizing a tuition supplement program for resident students attending certain institutions of higher education.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. It is the declared legislative intent and among the purposes of this 1971 act to recognize the contributions made to the educational level of the citizens of this state by the independent and private institutions of higher education in Washington state and to acknowledge that these general educational programs and services offered collectively by these institutions are in the public's interest. Based upon the paramount duty of the state to make ample provision for the education of all children residing within its borders, provisions of this 1971 act are enacted for that purpose by the legislature in the exercise of the police power of the state for the purpose of promoting the health, safety, and general welfare of all the people of this state.

NEW SECTION. Sec. 2. The council on higher education, in