

## Form #3

OFFICE WEST VIRGINIA  
SECRETARY OF STATE

Authorized Signature \_\_\_\_\_

## QUESTIONNAIRE

*(Please include a copy of this form with each filing of your rule: Notice of Public Hearing or Comment Period; Proposed Rule, and if needed, Emergency and Modified Rule.)*

DATE: July 31, 2015

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: (Agency Name, Address & Phone No.) West Virginia Division of Labor  
State Capitol Complex  
Building 6, Room B-749  
Charleston, WV 25305  
304.558.7890 x 58018

LEGISLATIVE RULE TITLE: \_\_\_\_\_  
Wage Payment and Collection

1. Authorizing statute(s) citation \_\_\_\_\_  
W. Va. Code 21-5-9 and 21-5-13

2. a. Date filed in State Register with Notice of Hearing or Public Comment Period:  
June 25, 2015

b. What other notice, including advertising, did you give of the hearing?  
None.

c. Date of Public Hearing(s) *or* Public Comment Period ended:  
July 25, 2015

d. Attach list of persons who appeared at hearing, comments received, amendments, reasons for amendments.

Attached \_\_\_\_\_ No comments received x

- e. Date you filed in State Register the agency approved proposed Legislative Rule following public hearing: (be exact)

July 31, 2015

- f. Name, title, address and phone/fax/e-mail numbers of agency person(s) to receive all *written correspondence* regarding this rule: (Please type)

John R. Junkins, Acting Commissioner, West Virginia Division of Labor  
State Capitol Complex, Building 6, Room B-749  
Charleston, WV 25305

Telephone: 304.558.7890 x 58018

Fax: 304.558.2273

Email: john.r.junkins@wv.gov

- g. **IF DIFFERENT FROM ITEM 'f'**, please give Name, title, address and phone number(s) of agency person(s) who wrote and/or has responsibility for the contents of this rule: (Please type)

Elizabeth G. Farber, Assistant Attorney General  
State Capitol Complex, Building 6, Room B-749  
Charleston, WV 25305

Telephone: 304.558.7890 x 58012

Fax: 304.558.2273

Email: elizabeth.g.farber@wv.gov

3. If the statute under which you promulgated the submitted rules requires certain findings and determinations to be made as a condition precedent to their promulgation:

- a. Give the date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided.

N/A

b. Date of hearing or comment period:

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c. On what date did you file in the State Register the findings and determinations required together with the reasons therefor?

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d. Attach findings and determinations and reasons:

Attached 

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# WEST VIRGINIA DIVISION OF LABOR

749-B Building 6 , Capitol Complex • Charleston, West Virginia 25305

Phone (304) 558-7890 • Fax (304) 558-2273

[www.wvlabor.org](http://www.wvlabor.org)

EARL RAY TOMBLIN  
Governor



JOHN R. JUNKINS  
Acting Commissioner

## **Statement of Facts and Circumstances**

**and**

## **Summary of Proposed Amendments to Title 42, Series 5**

### **Wage Payment and Collection**

With the passage of Senate Bills 12 (effective June 11, 2015) and 318 (effective June 12, 2015) during the Legislature's 2015 Regular Session, several sections of the Wage Payment and Collection Act were amended, including W. Va. Code §§21-5-1, 21-5-3, and 21-5-4. The revisions concerned the frequency of the payment of wages generally by employers and the payment of outstanding wages to separated employees.

In order to incorporate the 2015 statutory amendments and to make a few technical additions, the West Virginia Division of Labor proposes the following amendments and revisions to Title 42, Series 5, of the West Virginia Code of State Regulations:

- Section 3: Several definitions have been either eliminated or revised to reflect the amendments to the Wage Payment and Collection Act, including the definitions of "wages due," "discharge," "involuntary discharge," "lay-off," and "voluntary termination." In addition, a new definition for "Director" has been added and the definition for "Director's review" has been modified.
- Section 5: Two items have been eliminated from the required contents of employee records because these items are not required by the Wage Payment and Collection Act.
- Section 8: The petition for a special agreement regarding an employer's payday schedule or frequency has been revised to reflect the amendments to the Wage Payment and Collection Act.
- Section 10: A claimant's request for a Director's review of the Division's investigation has been modified to give the Director discretion to grant or deny the request.

## APPENDIX B

**FISCAL NOTE FOR PROPOSED RULES**

Rule Title: Wage Payment and Collection

Type of Rule: ☒ Legislative ☐ Interpretive ☐ Procedural

Agency: West Virginia Division of Labor

Address: State Capitol Complex  
Building 6, Room B-749  
Charleston, WV 25305

Phone Number: 304.558.7890 x 58018 Email: john.r.junkins@wv.gov

**Fiscal Note Summary**

Summarize in a clear and concise manner what impact this measure will have on costs and revenues of state government.

The proposed rule will have no impact on the costs or revenues of state government.

**Fiscal Note Detail**

Show over-all effect in Item 1 and 2 and, in Item 3, give an explanation of Breakdown by fiscal year, including long-range effect.

FISCAL YEAR			
Effect of Proposal	Current Increase/Decrease (use "--")	Next Increase/Decrease (use "--")	Fiscal Year (Upon Full Implementation)
1. Estimated Total Cost	0.00	0.00	0.00
Personal Services	0.00	0.00	0.00
Current Expenses	0.00	0.00	0.00
Repairs & Alterations	0.00	0.00	0.00
Assets	0.00	0.00	0.00
Other	0.00	0.00	0.00
2. Estimated Total Revenues	0.00	0.00	0.00

Rule Title: Wage Payment and Collection

Rule Title:

Wage Payment and Collection

3. **Explanation of above estimates (including long-range effect):**  
Please include any increase or decrease in fees in your estimated total revenues.

N/A.

### MEMORANDUM

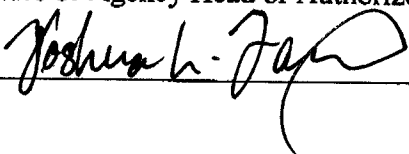
Please identify any areas of vagueness, technical defects, reasons the proposed rule **would not** have a fiscal impact, and/or any special issues **not** captured elsewhere on this form.

N/A.

Date:

7-31-15

Signature of Agency Head or Authorized Representative



TITLE 42  
LEGISLATIVE RULES  
DIVISION OF LABOR

SERIES 5  
WAGE PAYMENT AND COLLECTION

FILED  
2016 JUL 31 P 3:08  
OFFICE WEST VIRGINIA  
SECRETARY OF STATE

**§42-5-1. General.**

1.1. Scope. -- This rule is for the enforcement of all matters concerning wage payment and collection pursuant to W. Va. Code § 21-5-1, *et seq.*

1.2. Authority. -- W. Va. Code §§21-5-9 and 21-5-13.

1.3. Filing Date. -- ~~May 5, 2014.~~

1.4. Effective Date. -- ~~July 1, 2014.~~

~~1.5. Repeal of former rule. -- This rule repeals and replaces 42 CSR 5, "Wage Payment and Collection Act" filed March 29, 1990 and effective March 29, 1990.~~

**§42-5-2. Application and Enforcement.**

2.1. Application. This rule applies to the West Virginia Division of Labor and all persons, employers and employees governed or otherwise within the purview of the Wage Payment and Collection Act, W. Va. Code §21-5-1, *et seq.*

2.2. Enforcement. The enforcement of this rule is vested with the West Virginia Division of Labor.

**§42-5-3. Definitions.**

3.1. The "Act" or "the law," for purposes of this rule, means the Wage Payment and Collection Act, W. Va. Code §21-5-1, *et seq.*

3.2. "Assignment of wages," or "wage assignment" means a voluntary written document that complies with the requirements set forth in W. Va. Code § 21-5-3 (e) authorizing the transfer of a portion of a wage earner's wages to another.

3.3. "Break time" or "break period," when authorized by an employer, means a rest period of short duration, up to 20 minutes, that must be counted as hours worked.

3.4. "Claimant" means an employee or former employee who submits a request for

assistance to the Division, alleging that he or she is owed unpaid wages, or alleging any other violation of the Act or this rule.

3.5. "Days" means calendar days, unless otherwise stated.

3.6. "Director" means the director of the Wage and Hour Section, or his or her designee.

~~3.6~~ 3.7. "Director's review" means, upon a claimant's request, and subject to the Director's approval, a review of the results of the Division's investigation by the Director ~~of the Division's Wage and Hour Section or his or her designee.~~

~~3.7. "Discharge" means an involuntary termination of employment by an employer.~~

3.8. "Division" means the West Virginia Division of Labor.

3.9. "Employ" means to hire, permit, or suffer to work.

3.10. "Final order" or "Commissioner's final order" means an order issued by the Commissioner which the employer either does not appeal pursuant to W. Va. Code 29A-5-4, or which has been upheld after the employer has exhausted his or her appeal rights pursuant to W. Va. Code §§29A-5-4 and 29A-6-1.

3.11. "Garnishment order" or "wage garnishment order" refers to a legal procedure in which an employee's wages are required by court order to be withheld by an employer for the payment of a debt.

3.12. "Hours worked" means the time an employee is under the control and direction of his or her employer.

3.13. "Illegal deduction" means a deduction made by an employer from an employee's wages without a valid assignment of wages, without a valid wage garnishment order, or without an employee's written authorization for union or club dues, pension plans, a payroll savings plan, charitable contributions, insurance, a hospitalization plan, or plans of a similar kind.

~~3.14. "Involuntary discharge" or "involuntary termination" means the termination of employment initiated by the employer.~~

~~3.15. "Lay-off" means an employee's involuntary cessation of work, whether temporary or permanent, for a reason not relating to the employee's job performance or any other employee-related reason.~~

3.16: ~~3.14.~~ "Net wages" means an employee's wages after deductions are taken out.

~~3-17.~~ 3.15. "Pay period" means the scheduled number of days for which an employee is paid, which may or may not coincide with the day an employee is paid.

~~3-18.~~ 3.16. "Request for Assistance" or "RFA" means a form provided by the Division and submitted by a claimant alleging that he or she is owed unpaid wages or alleging any other violation of the Act or this rule.

~~3-19.~~ 3.17. "Status conference" means an employer's informal meeting with the Division regarding the status of the Division's investigation into an alleged violation of the Act or this rule.

~~3-20.~~ "~~Voluntary termination~~" means a resignation initiated by the employee.

~~3-21.~~ 3.18. "Wages due" or "wages earned" means and includes all wages and fringe benefits accrued, if any, that are owed to an employee for all hours the employee is permitted, required or suffered to work, up to and including the ~~fifth~~ twelfth day immediately preceding the employer's regular pay day.

~~3-22.~~ 3.19. "Work week" means a regular recurring period of 168 hours made up of 7 consecutive 24 hour periods.

#### **§42-5-4. Employer Responsibilities; Required Employee Notifications; Required Posting of the Wage and Hour Abstract.**

4.1. An employer shall establish a work week, a pay period, and a pay day, and shall notify employees in writing or by a posted notice accessible to all employees of the employer.

4.2. When an employer changes an employee's rate of pay, pay period, place or method of payment, time of payment, or any other term of employment, the employer shall furnish a written notice to the affected employee at least 1 full pay period prior to the effective date of the change.

4.3. An employer shall keep posted in a place accessible to all employees an abstract of the West Virginia Wage Payment and Collection law prepared and provided by the Commissioner.

#### **§42-5-5. Contents of Employee Records.**

5.1. An employer shall maintain payroll and employment records during an employee's employment and for a period of not less than 5 years from the date each record was created.

5.2. An employee's written record shall contain the following information:

5.2.1. The employee's name in full, or identifying symbol or number in place of a name on any record;

~~5.2.2. The employee's social Security number;~~

~~5.2.3.~~ 5.2.2. The employee's home address;

~~5.2.4.~~ 5.2.3. The employee's date of birth, if under 18;

~~5.2.5.~~ 5.2.4. The employee's occupation, title or job classification;

~~5.2.6.~~ 5.2.5. The employee's rate of regular pay ~~and rate of overtime pay, if~~  
applicable;

~~5.2.7.~~ 5.2.6. The hours worked each workday by the employee and the total hours  
worked each workweek by the employee; and

~~5.2.8.~~ 5.2.7. Documentation of the employee's legal status or authorization to work,  
as required by W. Va. Code § 21-1B-1 *et seq.*

#### **§42-5-6. Place For Keeping Employee Records.**

6.1. An employer shall keep the employee records required by the Act and this rule in a safe, secure and accessible location at the place or places of employment, or at one or more established central record-keeping offices where employee records are customarily maintained.

6.2. Employee records shall be open to the Division for inspection, examination, copying, photographing or otherwise reproducing, in order to ensure compliance with the Act and this rule.

6.3. When employee records are maintained at a central record-keeping office, other than in the place or places of employment, upon receipt of written notice from the Commissioner, an employer shall make employee records available to the Division within 72 business hours.

#### **§42-5-7. Payment of Wages.**

7.1. An employer shall pay all earned wages due to an employee on the employer's scheduled payday.

7.2. The scheduled payday for a railroad company shall occur within the time periods specified in West Virginia Code §21-5-2. The scheduled payday for every employer other than a railroad company shall occur at least once every 2 weeks, unless otherwise authorized by special agreement as provided in section eight of this rule.

7.3. An employer shall furnish an itemized statement of earnings to each employee on the employer's scheduled payday, to include the employee's hourly rate of pay, the number of hours for which the employee is being paid, the overtime rate of pay, bonus and incentive pay, and itemized

deductions. When an employer pays an employee by direct deposit, the employer may furnish the itemized statement electronically, provided the employee has direct, immediate and convenient access to it.

7.4. If an employer's regular payday is on specific dates of the month, and the employer is closed for business on that date, the employer shall pay the employees on the day immediately preceding the regular payday when the employer is open for business.

**§42-5-8. Petition For Special Agreement Concerning Payday Schedule or Frequency.**

8.1. An employer who wishes to establish regular paydays other than at least ~~once in~~ twice every 2 weeks month with no more than 19 days between paydays, as required by W. Va. Code § 21-5-3, shall submit a written petition to the Commissioner, setting forth the reasons for the request and the proposed alternative payday schedule or plan.

8.2. An employer shall include postage paid envelopes addressed to each employee who would be affected by the proposed alternative payday schedule or plan with the petition.

8.3. The Commissioner shall notify all employees identified by the employer and provide each employee with an opportunity to respond to the petition.

8.4. The Commissioner may hold a hearing on the petition for the proposed alternative payday schedule.

8.4.1. The Commissioner shall give at least 20 days written notice of the time and place of the hearing to all employees who would be affected by the proposed alternative payday schedule or plan.

8.4.2. Employees shall have the opportunity to submit written comments in lieu of attending the hearing.

8.5. Following the submission of the petition, the responses of the affected employees, and the holding of the hearing, if any, the Commissioner shall issue a written decision to the employer, either approving, suggesting modifications to, or denying the proposed alternative schedule or plan.

8.6. The Commissioner may modify the terms of the requested relief and may also later revoke the approved payday schedule or plan if it interferes with the enforcement of the Act or this rule.

8.7. An employer shall comply with the Act and this rule during the Commissioner's consideration of the petition, and the submission of a petition or the Commissioner's delay in acting upon the petition does not relieve an employer from any obligations to comply with the payday requirements set forth in W. Va. Code § 21-5-3 and this rule.

**§42-5-9. Assignment Of Wages; Wage Garnishment Order.**

9.1. An employer shall have a written assignment of wages that conforms to the requirements set forth in W. Va. Code § 21-5-3 (e) on the form approved by the Commissioner prior to making any deductions, other than authorized statutory deductions, from an employee's wages.

9.2. Three-fourths or 75% of an employee's net wages shall at all times be exempt from assignment.

9.3. If an employer is served with a wage garnishment order payable from an employee's wages, and if the garnished amount exceeds 25% of the employee's net wages, the employer shall not enter into an assignment of wages with the employee while the garnishment order is in effect, and shall immediately terminate any on-going or active assignment of wages.

9.4. Authorized deductions for amounts required or allowed by law to be withheld, such as union or club dues, pension plans, payroll savings plans, credit unions, charities, or a hospitalization or medical insurance plan, are not required to be in any prescribed form.

9.5. If an employer deducts an authorized amount from an employee's wages pursuant to a valid assignment of wages, a valid written authorization or a valid wage garnishment order, but fails to pay that amount to the designated creditor or authorized plan, the deduction is an illegal deduction from the employee's wages.

**§42-5-10. Employee Claim for Unpaid Wages or Other Violation of the Act; Investigation by the Division.**

10.1. An employee or former employee who reasonably believes that he or she is owed unpaid wages or that his or her employer has violated any provision of the Act or this rule, and who wants the Division to investigate his or her claim, shall submit a request for assistance ("RFA") to the Division, and provide the Division with the necessary information and documents in support of the claim, including the following:

10.1.1. The claimant's complete contact information, including updates when applicable;

10.1.2. The name, address and telephone number of the claimant's employer;

10.1.3. The amount of wages the claimant reasonably believes is owed by the employer and why, or a statement explaining the employer's violation;

10.1.4. A brief description of the work the claimant is performing or has performed;

10.1.5. Copies of pay stubs, work schedules, personal calendars, or other documents that support the wage claim or other violation, if the claimant has them in his or her possession;

10.1.6. If applicable to the wage claim or other violation, a complete copy of the employer's written policies concerning the terms and conditions of employment, if the claimant has them in his or her possession; and

10.1.7. If applicable to the wage claim or other violation, a complete copy of the employer's commissions policy, if the claimant has them in his or her possession.

10.2. The Division shall investigate the merits of the claim and shall make a determination about whether the employer has violated any provision of the Act or this rule.

10.3. The Division shall notify the employer and the claimant of the results of its investigation, including the amount of wages owed to the claimant, if any.

10.4. The claimant ~~is entitled to and~~ may request a Director's review, and subject to the Director's approval, the request may be granted.

10.5. The employer is entitled to and may request a status conference.

10.6. If the employer acknowledges or otherwise admits that the claimant is owed wages, but fails to pay the wages owed to the claimant within a time frame specified in the written demand of the Commissioner, the Commissioner shall issue an order, setting forth findings of fact and conclusions of law regarding the wage claim.

10.6.1. The Division shall serve the employer with a copy of the Commissioner's order, either by certified mail, return receipt requested or by personal service, and shall notify the employer of his or her right to appeal the order.

10.6.2. The Division shall provide the claimant with a copy of the Commissioner's order.

10.7. If the employer contests the Division's determination, the employer is entitled to an administrative hearing, which shall be held in accordance with W. Va. Code §§ 21-5-11, 29A-5-1, *et seq.* and 42 CSR 20.

10.7.1. Pursuant to the administrative hearing, the Commissioner shall issue an order, setting forth findings of fact and conclusions of law regarding the wage claim.

10.7.2. The Division shall serve the employer with a copy of the order, either by certified mail, return receipt requested or by personal service, and shall notify the employer of his or her right to appeal the order.

10.7.3. The Division shall provide the claimant with a copy of the Commissioner's order.