

HOUSE BILL NO. 230  
INTRODUCED BY ERICKSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT AN EMPLOYER MAY PAY WAGES DUE IN THE ENSUING PAY PERIOD WHEN AN EMPLOYEE SUBMITS A TIMESHEET AFTER THE EMPLOYER'S DEADLINE FOR PROCESSING TIMESHEETS FOR A PARTICULAR PAY PERIOD; ELIMINATING ARCHAIC LANGUAGE PROVIDING THAT WAGES OWED TO EMPLOYEES WHO ARE ABSENT FROM WORK ON THE REGULAR PAY DATE MUST BE PAID AT ANY TIME AFTER THE DATE OF REGULAR PAYMENT AND PROVIDING THAT THE LAW IS INAPPLICABLE TO CERTAIN EMPLOYEES WHO BY CUSTOM RECEIVE WAGES MONTHLY; AMENDING SECTION 39-3-204, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

**Section 1.** Section 39-3-204, MCA, is amended to read:

**"39-3-204. Payment of wages generally.** (1) Except as provided in ~~subsection (4)~~ subsections (2) and (3), every employer of labor in the state of Montana shall pay to each employee the wages earned by the employee in lawful money of the United States or checks on banks convertible into cash on demand at the full face value of the checks, and ~~no~~ a person for whom labor has been performed may not withhold from any employee any wages earned or unpaid for a longer period than 10 business days after the wages are due and payable. However, reasonable deductions may be made for board, room, and other incidentals supplied by the employer, whenever the deductions are a part of the conditions of employment, or other deductions provided for by law.

~~(2) If at the time of payment of wages any employee is absent from the regular place of labor, the employee is entitled to payment at any time thereafter.~~

~~————(3) Provisions of this section do not apply to any professional, supervisory, or technical employee who by custom receives wages earned at least once monthly.~~

~~(4)~~(2) Wages may be paid to the employee by electronic funds transfer or similar means of direct deposit if the employee has consented in writing or electronically, if a record is retained, to be paid in this manner. However, an employee may not be required to use electronic funds transfer or similar means of direct deposit as a method for payment of wages.

(3) If an employee submits a timesheet after the employer's established deadline for processing employee timesheets for a particular time period AND THE EMPLOYER DOES NOT PAY THE EMPLOYEE WITHIN THE 10-DAY PERIOD PROVIDED FOR IN SUBSECTION (1), the employer may pay the employee the wages due in the ensuing pay period. AN EMPLOYER MAY NOT WITHHOLD PAYMENT OF THE EMPLOYEE'S WAGES BEYOND THE NEXT ENSUING PAY PERIOD. IF THERE IS NOT AN ESTABLISHED TIME PERIOD OR TIME WHEN WAGES ARE DUE AND PAYABLE, THE PAY PERIOD IS PRESUMED TO BE SEMIMONTHLY IN LENGTH."

NEW SECTION. **Section 2. Effective date -- applicability.** [This act] is effective on passage and approval and applies to timesheets filed on or after [the effective date of this act].

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