

## ● WAGE PAYMENT AND COLLECTION LAW

*STATUTORY CITATION:* 43 Pa. Stat. §§ 260.1 – 260.12

*GENERAL SUMMARY:* The Wage Payment and Collection Law generally governs the compensation of employees in Pennsylvania, regulating paydays, disclosure of payment conditions, and payment of wages at termination. These provisions apply to all employment in the state, both agricultural and non-agricultural.

### *SPECIFIC TERMS AND CONDITIONS*

**PAYDAYS** — Except for wage supplements, every employer must pay the compensation earned by each employee on regular paydays designated in advance by the employer. Unless specified otherwise in a written employment contract, compensation is generally due and payable within 15 days of the end of the pay period in which it is earned. Bonuses or other wage supplements must be paid within 10 days after the end of the job or other due-date, or within 60 days of demand by the worker where no required time for payment was specified. Wages must be paid in lawful U.S. money or by check.

**NOTIFICATION** — It is every employer's duty to notify each worker at the time of hiring as to the time and place of payment, the rate of pay, and any fringe benefits or wage supplements to be paid. Workers are also entitled to advance notice of any change in these conditions. Such notifications may be provided by posting the required information at the employer's place of business.

**FINAL WAGES** — Upon termination of employment, for whatever reason, workers' final wages are due and payable no later than the next regular payday on which such earnings would otherwise be paid.

### *ADMINISTRATION AND ENFORCEMENT*

**PRIMARY ENFORCEMENT AGENCY** — *Bureau of Labor Law Compliance, Pennsylvania Department of Labor and Industry, Harrisburg, Pennsylvania 17120 (717-787-4763; toll-free 800-932-0665).* The Department may investigate any complaint alleging a violation of the Wage Payment and Collection Law, and for that purpose agents of the Department may inspect payroll and related records and interview employees at any workplace in the state. Workers and their representatives may request the Department to take legal action on their behalf to collect any claim for unpaid wages, provided action is instituted within 3 years after such wages were originally payable. Apart from civil liability, employers who violate these provisions are also subject to criminal fines and imprisonment.

**SECONDARY OR ASSOCIATED ENFORCEMENT AGENCY** — *None.*

**PRIVATE CIVIL ACTION** — As an alternative to filing a claim with the Department of Labor and Industry, a worker who has not been paid any portion of his or her earnings may engage a private lawyer or public legal service provider to bring civil action against the employer directly for recovery of the unpaid amount. Furthermore, where wages remain unpaid without good cause for 30 days beyond the regular payday (or 60 days beyond the date of demand, where no regular payday applies), or where shortages in wage payments exceed 5 percent of gross wages payable on any two regular paydays in the same calendar quarter, the employer is generally liable to the worker for an additional amount as liquidated damages equal to 25 percent of the unpaid wages, or \$500, whichever is greater. A judgment in the worker's favor may also include attorney's fees.