

## ● WAGE PAYMENT LAW

*STATUTORY CITATION:* Vt. Stat. Title 21, §§ 341 – 348

*GENERAL SUMMARY:* Chapter 5, Subchapter 2 of the state labor statutes sets general standards for the payment of wages, including provisions governing paydays, pay periods, and the method of payment. The wage payment law applies equally to both agricultural and non-agricultural employment.

### *SPECIFIC TERMS AND CONDITIONS*

**PAYDAYS AND PAY PERIODS** — Workers must be compensated weekly, unless the employer gives written notice of intention to pay bi-weekly or semi-monthly. In any case, not more than 6 days may elapse between the end of a pay period and the corresponding date of payment.

**FINAL WAGES** — A worker who voluntarily leaves the job must receive final pay on the next regularly scheduled payday (or on the following Friday, if there is no regular payday). An employee who is discharged from employment must be paid in full within 72 hours after discharge.

**METHOD OF PAYMENT** — Under most circumstances, wages may not be paid in any form other than (1) in lawful money, (2) by check, (3) by direct deposit to a financial institution, or (4) credit to a payroll card account in a federally insured financial institution.

Wage payments by payroll card are permitted only after certain written disclosures are made to the employee, and only with the employee's consent. A payroll card account must allow the worker at least 3 free withdrawals, one of which must permit withdrawal of the entire balance, and none of the employer's costs associated with the account may be passed on to the worker.

Payment of wages using vouchers, scrip, store orders, or other non-cash medium is generally prohibited.

### *SPECIAL NOTES OR ADVISORIES*

**RETALIATION** — It is illegal for an employer to fire or otherwise retaliate against an employee because (1) the employee lodged a complaint of a violation of the wage payment law, (2) the employee has cooperated with the enforcement agency in an investigation of a violation, or (3) the employer believes the employee may lodge such a complaint or cooperate in such an investigation. A worker who has suffered from an act of retaliation may take action in civil court for damages, using a private attorney or public legal service provider.

### *ADMINISTRATION AND ENFORCEMENT*

**PRIMARY ENFORCEMENT AGENCY** — *Wage and Hour Program, Vermont Department of Labor, Montpelier, Vermont 05601 (802-828-4204)*. A worker who has not received all wages due may file a complaint with the Department, and the agency is obligated to investigate the claim and try informally to effect payment if the claim is valid. If informal measures fail, the Department has authority to impose a civil penalty of up to \$5,000 against an employer who fails to pay wages as required and may enforce a final order for collection in state court.

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

**PRIVATE CIVIL ACTION** — Using a private attorney or public legal service provider, a worker who does not receive his or her earnings in conformity with these provisions may recover twice the amount of any unpaid wages in a civil suit against the offending employer.