

# HOUSE BILL No. 1410

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-2-6-2.

**Synopsis:** Wage assignments for uniform rentals. Provides that a wage assignment by an employee may be made for the rental of uniforms necessary to fulfill the duties of employment.

**Effective:** July 1, 2018 (retroactive).

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January 14, 2019, read first time and referred to Committee on Employment, Labor and Pensions.

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First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

## HOUSE BILL No. 1410

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A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 22-2-6-2, AS AMENDED BY P.L.195-2018,  
2 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2018 (RETROACTIVE)]: Sec. 2. (a) Any assignment of the  
4 wages of an employee is valid only if all of the following conditions are  
5 satisfied:  
6 (1) The assignment is:  
7 (A) in writing;  
8 (B) signed by the employee personally;  
9 (C) by its terms revocable at any time by the employee upon  
10 written notice to the employer; and  
11 (D) agreed to in writing by the employer.  
12 (2) An executed copy of the assignment is delivered to the  
13 employer within ten (10) days after its execution.  
14 (3) The assignment is made for a purpose described in subsection  
15 (b).  
16 (b) A wage assignment under this section may be made for the  
17 purpose of paying any of the following:



- 1 (1) Premium on a policy of insurance obtained for the employee
- 2 by the employer.
- 3 (2) Pledge or contribution of the employee to a charitable or
- 4 nonprofit organization.
- 5 (3) Purchase price of bonds or securities, issued or guaranteed by
- 6 the United States.
- 7 (4) Purchase price of shares of stock, or fractional interests in
- 8 shares of stock, of the employing company, or of a company
- 9 owning the majority of the issued and outstanding stock of the
- 10 employing company, whether purchased from such company, in
- 11 the open market or otherwise. However, if such shares are to be
- 12 purchased on installments pursuant to a written purchase
- 13 agreement, the employee has the right under the purchase
- 14 agreement at any time before completing purchase of such shares
- 15 to cancel said agreement and to have repaid promptly the amount
- 16 of all installment payments which theretofore have been made.
- 17 (5) Dues to become owing by the employee to a labor
- 18 organization of which the employee is a member.
- 19 (6) Purchase price of merchandise, goods, or food offered by the
- 20 employer and sold to the employee, for the employee's benefit,
- 21 use, or consumption, at the written request of the employee.
- 22 (7) Amount of a loan made to the employee by the employer and
- 23 evidenced by a written instrument executed by the employee
- 24 subject to the amount limits set forth in section 4(c) of this
- 25 chapter.
- 26 (8) Contributions, assessments, or dues of the employee to a
- 27 hospital service or a surgical or medical expense plan or to an
- 28 employees' association, trust, or plan existing for the purpose of
- 29 paying pensions or other benefits to said employee or to others
- 30 designated by the employee.
- 31 (9) Payment to any credit union, nonprofit organizations, or
- 32 associations of employees of such employer organized under any
- 33 law of this state or of the United States.
- 34 (10) Payment to any person or organization regulated under the
- 35 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit
- 36 to the employee's account by electronic transfer or as otherwise
- 37 designated by the employee.
- 38 (11) Premiums on policies of insurance and annuities purchased
- 39 by the employee on the employee's life.
- 40 (12) The purchase price of shares or fractional interest in shares
- 41 in one (1) or more mutual funds.
- 42 (13) A judgment owed by the employee if the payment:



- 1 (A) is made in accordance with an agreement between the  
 2 employee and the creditor; and  
 3 (B) is not a garnishment under IC 34-25-3.
- 4 (14) The purchase **or rental** of uniforms and **the purchase of**  
 5 equipment necessary to fulfill the duties of employment. The total  
 6 amount of wages assigned may not exceed the lesser of:  
 7 (A) two thousand five hundred dollars (\$2,500) per year; or  
 8 (B) five percent (5%) of the employee's weekly disposable  
 9 earnings (as defined in IC 24-4.5-5-105(1)(a)).
- 10 (15) Reimbursement for education or employee skills training.  
 11 However, a wage assignment may not be made if the education or  
 12 employee skills training benefits were provided, in whole or in  
 13 part, through an economic development incentive from any  
 14 federal, state, or local program.
- 15 (16) An advance for:  
 16 (A) payroll; or  
 17 (B) vacation;  
 18 pay.
- 19 (17) The employee's drug education and addiction treatment  
 20 services under IC 12-23-23.
- 21 (c) The interest rate charged on amounts loaned or advanced to an  
 22 employee and repaid under subsection (b) may not exceed the bank  
 23 prime loan interest rate as reported by the Board of Governors of the  
 24 Federal Reserve System or any successor rate, plus four percent (4%).
- 25 **SECTION 2. An emergency is declared for this act.**

