

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.

SENATE ENROLLED ACT No. 99

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

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

SECTION 1. IC 22-2-6-2, AS AMENDED BY P.L.195-2018, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Any assignment of the wages of an employee is valid only if all of the following conditions are satisfied:

- (1) The assignment is:
 - (A) in writing;
 - (B) signed by the employee personally;
 - (C) by its terms revocable at any time by the employee upon written notice to the employer; and
 - (D) agreed to in writing by the employer.
- (2) An executed copy of the assignment is delivered to the employer within ten (10) days after its execution.
- (3) The assignment is made for a purpose described in subsection (b).

(b) A wage assignment under this section may be made for the purpose of paying any of the following:

- (1) Premium on a policy of insurance obtained for the employee by the employer.
- (2) Pledge or contribution of the employee to a charitable or nonprofit organization.
- (3) Purchase price of bonds or securities, issued or guaranteed by the United States.

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- (4) Purchase price of shares of stock, or fractional interests in shares of stock, of the employing company, or of a company owning the majority of the issued and outstanding stock of the employing company, whether purchased from such company, in the open market or otherwise. However, if such shares are to be purchased on installments pursuant to a written purchase agreement, the employee has the right under the purchase agreement at any time before completing purchase of such shares to cancel said agreement and to have repaid promptly the amount of all installment payments which theretofore have been made.
- (5) Dues to become owing by the employee to a labor organization of which the employee is a member.
- (6) Purchase price of merchandise, goods, or food offered by the employer and sold to the employee, for the employee's benefit, use, or consumption, at the written request of the employee.
- (7) Amount of a loan made to the employee by the employer and evidenced by a written instrument executed by the employee subject to the amount limits set forth in section 4(c) of this chapter.
- (8) Contributions, assessments, or dues of the employee to a hospital service or a surgical or medical expense plan or to an employees' association, trust, or plan existing for the purpose of paying pensions or other benefits to said employee or to others designated by the employee.
- (9) Payment to any credit union, nonprofit organizations, or associations of employees of such employer organized under any law of this state or of the United States.
- (10) Payment to any person or organization regulated under the Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit to the employee's account by electronic transfer or as otherwise designated by the employee.
- (11) Premiums on policies of insurance and annuities purchased by the employee on the employee's life.
- (12) The purchase price of shares or fractional interest in shares in one (1) or more mutual funds.
- (13) A judgment owed by the employee if the payment:
- (A) is made in accordance with an agreement between the employee and the creditor; and
 - (B) is not a garnishment under IC 34-25-3.
- (14) The purchase, **rental, or use** of uniforms, ~~and~~ **shirts, pants, or other job-related clothing at an amount not to exceed the direct cost paid by an employer to an external vendor for**



those items. equipment, necessary to fulfill the duties of employment. The total amount of wages assigned may not exceed the lesser of:

- (A) two thousand five hundred dollars (\$2,500) per year; or
- (B) five percent (5%) of the employee's weekly disposable earnings (as defined in IC 24-4.5-5-105(1)(a)).

(15) The purchase of equipment or tools necessary to fulfill the duties of employment at an amount not to exceed the direct cost paid by an employer to an external vendor for those items.

~~(15)~~ **(16)** Reimbursement for education or employee skills training. However, a wage assignment may not be made if the education or employee skills training benefits were provided, in whole or in part, through an economic development incentive from any federal, state, or local program.

~~(16)~~ **(17)** An advance for:

- (A) payroll; or
- (B) vacation;

pay.

~~(17)~~ **(18)** The employee's drug education and addiction treatment services under IC 12-23-23.

(c) The interest rate charged on amounts loaned or advanced to an employee and repaid under subsection (b) may not exceed the bank prime loan interest rate as reported by the Board of Governors of the Federal Reserve System or any successor rate, plus four percent (4%).

(d) The total amount of wages subject to assignment under subsection (b)(14) and (b)(15) may not exceed the lesser of:

- (1) two thousand five hundred dollars (\$2,500) per year; or**
- (2) five percent (5%) of the employee's weekly disposable earnings (as defined in IC 24-4.5-5-105(1)(a)).**

(e) Except as provided under 29 CFR Parts 1910, 1915, 1917, 1918, and 1926, an employee shall not be charged or subject to a wage assignment under subsection (b)(14) or (b)(15) for protective equipment including personal protective equipment identified under 29 CFR Parts 1910, 1915, 1917, 1918, and 1926.

SECTION 2. IC 22-2-6-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a)** All deductions made before July 1, 1988, by an employer from the wages of an employee, at the request of the employee, or without the objection of the employee, provided the amount so deducted was either retained by the employer and credited upon an indebtedness owing to the employer by the employee, or paid by the employer in accordance with the request of



the employee, or without the employee's objection, are hereby legalized, and no action shall be brought or maintained against the employer to recover from the employer the amount so retained or paid.

(b) All deductions made before the effective date of this subsection, as added by SEA 99-2019, by an employer from the wages of an employee for the rental of uniforms, shirts, pants, or other job-related clothing, pursuant to an agreement that meets the requirements of section 2(a)(1) and 2(a)(2) of this chapter, provided the amount so deducted was either:

- (1) retained by the employer and credited upon an indebtedness owing to the employer by the employee; or**
- (2) paid by the employer;**

are hereby legalized, and no action shall be brought or maintained against the employer to recover from the employer the amount so retained or paid.

SECTION 3. An emergency is declared for this act.



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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