

# **SUMMARY OF THE WAGE PAYMENT AND COLLECTION LAW**

**Act No. 329 of July 14, 1961**

## **COVERAGE**

All men, women and minors employed within the Commonwealth by an employer are protected by this Law.

## **REGULAR PAYDAY**

Every employer shall pay all wages, other than fringe benefits and wage supplements, due his/her employees on regularly scheduled paydays designated in advance by the employer. The employer shall pay in cash or by bank check. Employers must notify each employee at the time of hiring of the time and place of payment and rate of pay and the amount of any fringe benefits or wage supplements to be paid to the employee, a third party, or a fund for the benefit of the employee.

The waiting time between the end of a pay period and payday must not exceed: (a) the time specified in a written contract between employer and employee, or (b) the standard time lapse customary in the trade, or (c) 15 days.

Pay for overtime must be included with wages for the next following pay period.

Fringe benefits and wage supplements must be paid within 10 days after payment is required or within 60 days after the proper claim is filed by the employee.

## **DEDUCTIONS**

Employers may make deductions from wages as provided by law or by regulation for the convenience of the employee. (Copies of regulations itemizing permissible deductions are available from the Department of Labor and Industry.)

## **LIQUIDATED DAMAGES**

Every employee with a bona fide claim of wages due and not paid within 30 days after the regularly scheduled payday, or within 60 days beyond filing of proper claim, is entitled to claim 25 percent of the unpaid wages or \$500, whichever is greater.

## **COLLECTION OF UNPAID WAGES**

Any employee or group of employees, labor organization or party to whom any type of wages is payable may take legal action to recover wages due plus liquidated damages.

An employee or group of employees, labor organization or party to whom any type of wages is payable may also file a bona fide claim with the Department of Labor and Industry. The Department shall, if the claim appears to be just, immediately notify the employer by certified mail.

SEE REVERSE

Payment or satisfactory explanation for non-payment is required within 10 days after receipt of the certified notification.

The Secretary of Labor and Industry may bring legal action necessary to collect the claim. Such a claim is subject to any right of the employer to a set-off or counter-claim against the assigning employee. The Secretary of Labor and Industry may require the employer to post bond or security to secure payment of the claim.

In any legal action, the Court shall allow costs and reasonable fees, including attorney's fees, in addition to any judgment awarded.

## **PENALTIES**

The employer shall be liable to a penalty of 10 percent of the bona fide wage claim if he/she fails to pay or make satisfactory explanation to the Secretary of Labor and Industry within 10 days after receiving notification of the claim.

In addition to liability for unpaid wages, fringe benefits and wage supplements due, and liquidated damages, an employer who wilfully violates any provision of this Law is subject to a fine of not more than \$300 or by imprisonment up to 90 days or both for each offense.

## **INFORMATION AND CLAIMS**

Address inquiries, requests for regulations and claims for unpaid wages to:

### **BUREAU OF LABOR LAW COMPLIANCE**

Addresses:

#### **Harrisburg**

1301 Labor & Industry Building  
Seventh & Forster Streets  
Harrisburg, PA 17120-0019  
(717) 787-4671 or  
1-800-932-0665

#### **Pittsburgh**

1201 State Office Building  
300 Liberty Avenue  
Pittsburgh, PA 15222-1210  
(412) 565-5300 or  
1-877-504-8354  
Altoona: 1-877-792-8198

#### **Philadelphia**

1103 State Office Building  
1400 Spring Garden Street  
Philadelphia, PA 19130-4064  
(215) 560-1858

#### **Scranton**

201-B State Office Building  
100 Lackawanna Avenue  
Scranton, PA 18503-1923  
(570) 963-4577 or  
1-877-214-3962