

Sixty-first  
Legislative Assembly  
of North Dakota

## HOUSE BILL NO. 1097

Introduced by

Industry, Business and Labor Committee

(At the request of the Labor Commissioner)

1 A BILL for an Act to amend and reenact section 34-14-04.1 of the North Dakota Century Code,  
2 relating to limitations of withholdings of an employer from compensation due employees.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 34-14-04.1 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **34-14-04.1. Limitations on withholdings.**

- 7 1. Every employer shall withhold from the compensation due employees those  
8 amounts which are required by state or federal law to be withheld and may deduct  
9 advances paid to employees, other than undocumented cash, and other individual  
10 items authorized in writing by the employees. An authorization for deduction shall  
11 include:  
12 a. The specific time period the authorization covers;  
13 b. The amount to be deducted from the employee's compensation for each pay  
14 period;  
15 c. The employee's signature; and  
16 d. The date the authorization was signed.
- 17 2. An employer shall not make any deduction from the compensation due employees  
18 for stolen property unless the employee:  
19 a. Voluntarily authorizes the employer in writing to make the deduction as  
20 described in subsection 1; or  
21 b. The employer discharges the employee by reason of the allegation of theft or  
22 property or funds connected to the employee's work and the employer files a  
23 report of theft with local law enforcement for the alleged theft within seven  
24 days of the separation of employment, subject to the following conditions:

- 1                   (1)   If no charges are filed in a court of competent jurisdiction against the  
2                               employee for the alleged theft within fifteen days of the filing of the  
3                               report with a local law enforcement agency, wages are due and payable  
4                               upon the expiration of the fifteen-day period.
- 5                   (2)   If charges are filed against the employee for theft, the court may order  
6                               the withheld wages to be offset by the value of the theft. If the  
7                               employee is found not guilty or if the employer withholds an amount in  
8                               excess of the value of the theft, the court may order the employer to  
9                               pay the employee the withheld amount plus interest.