

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.