

1738-S

Sponsor(s): House Committee on Commerce & Labor (originally sponsored by Representatives Haigh and Armstrong; by request of Office of Financial Management)

Brief Description: Providing for recoupment of state employee salary and wage overpayments.

**HB 1738-S - DIGEST**

(DIGEST AS ENACTED)

Provides that debts due the state for the overpayment of salary or wages to state employees may be recovered by the employer by deductions from subsequent salary or wage payments as provided in this act, or by civil action. If the overpayment is recovered by deduction from the employee's subsequent wages, each deduction shall not exceed: (1) Five percent of the employee's disposable earnings in a pay period other than the final pay period; or (2) The amount still outstanding from the employee's disposable earnings in the final pay period. The deductions from wages shall continue until the overpayment is fully recouped.

Requires the office of financial management to adopt the rules necessary to implement this act.

Provides that, when an employer determines that an employee was overpaid salary or wages, the employer shall provide written notice to the employee. The notice shall include the amount of the overpayment, the basis for the claim, a demand for payment within twenty days of the date on which the employee received the notice, and the rights of the employee under this act.