## SENATE . . . . . . . . . . . . No.

## The Commonwealth of Massachusetts

PRESENTED BY:

Barry R. Finegold

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act clarifying the process for paying the wages of dismissed employees.

PETITION OF:

NAME:DISTRICT/ADDRESS:Barry R. FinegoldSecond Essex and Middlesex

SENATE . . . . . . . . . . . . No.

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# [SIMILAR MATTER FILED IN PREVIOUS SESSION SEE HOUSE, NO. 4443 OF 2023-2024.]

### The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court (2025-2026)

An Act clarifying the process for paying the wages of dismissed employees.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 150 of chapter 149 of the General Laws, as appearing in the 2022 Official Edition, is hereby amended by striking out the first paragraph and inserting in place thereof the following:-The attorney general may make complaint or seek indictment against any person for a violation of section 148. On the trial, no defense for failure to pay as required, other than the attachment of such wages by trustee process or a valid assignment thereof or a valid set-off against the same, or the absence of the employee from the employee's regular place of labor at the time of payment, or an actual tender to such employee at the time of payment of the wages so earned by the employee or the payment of demanded wages pursuant to section 204, shall be valid. The defendant shall not set up as a defense a payment of wages after the bringing of the complaint. An assignment of future wages payable weekly under section 148 shall not be valid if made to the person from whom such wages are to become due or to any person on their behalf,

or if made or procured to be made to another person for the purpose of relieving the employer from the obligation to pay weekly. A loan made by an employee to their employer of wages which are payable weekly under section 148, whether made directly to the employer or to another person or persons on their behalf, shall not be valid as a defense on the trial of a complaint for failure to pay such wages weekly, unless such loan shall have been made with the approval of the attorney general.

SECTION 2. Said chapter 149 of the General Laws is hereby amended by adding the following new section:-

#### Section 204. Right to Cure

- (a) After termination of a person's employment, claims that are brought to recover unpaid employment-based compensation resulting from a violation of sections 33E, 52E, 148, 148A, 148B, 148C, 150C, 152, 152A, 159C or 190 of this chapter or section 19 of chapter 15 and that seek treble damages under section 150 of this chapter shall be preceded by a written demand for relief to the employer specifying those sums due and the reasons therefor. Upon receipt of such a demand for relief, the employer shall have 15 business days to cure any asserted deficiency by making payment in full to the aggrieved claimant. The employer shall have no liability for attorneys' fees or for treble damages under section 150 should the employer cure the violation by paying, within 15 days of receiving the written demand, any deficiency in such compensation payments: (i) that are indisputably due; or (ii) upon a showing that the violation was the result of a good faith miscalculation, error or reliance on erroneous information from a third party.
- (b) In any action that is brought to recover unpaid employment-based compensation resulting from a violation of sections 33E, 52E, 148, 148A, 148B, 148C, 150C, 152, 152A, 159C

or 190 of this chapter or section 19 of chapter 151 and that seeks treble damages under section 150 of this chapter, if the employer shows to the satisfaction of the court that the employer's act or omission giving rise to such action was in good faith, and that the employer had reasonable grounds for believing that its act or omission was not a violation of such laws, the court may, in its sound discretion, award no statutory or treble damages.