

SENATE BILL REPORT

SB 5629

As Reported By Senate Committee On:
Government Operations & Elections, February 28, 2003

Title: An act relating to an employer's indebtedness to a deceased person for unpaid wages, labor, or services performed.

Brief Description: Changing provisions relating to an employer's indebtedness to a deceased person for unpaid wages, labor, or services performed.

Sponsors: Senators Roach, Kastama and Winsley; by request of Office of Financial Management.

Brief History:

Committee Activity: Government Operations & Elections: 2/14/03, 2/28/03 [DP].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Majority Report: Do pass.

Signed by Senators Roach, Chair; Stevens, Vice Chair; Fairley, Horn and Kastama.

Staff: Ronda Larson (786-7429)

Background: If an employee dies and has not yet been paid for work, labor, or services that he or she already performed, the law requires that his or her employer pay those unpaid wages to the employee's beneficiaries, who typically are the surviving spouse and/or children. It is the role of an executor or administrator of an estate to request the unpaid wages and determine how much each beneficiary should receive.

Because it can take time to appoint an executor or administrator, current law allows the surviving spouse to request the unpaid wages before appointment of an executor or administrator. However, the law caps at \$2,500 the amount to be paid upon the surviving spouse's request. Any remaining unpaid wages require the request of the estate's administrator or executor.

Summary of Bill: The maximum amount of unpaid wages or salary payable to a surviving spouse is increased from \$2,500 to \$10,000, where the employer is the state. By administrative policy, the Office of Financial Management may adjust the amount to be paid based on the percentage increase in the Seattle Consumer Price Index.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill concerns money that is already owed to the estate of the deceased employee. This will alleviate 90 percent of the backlog in the Office of Financial Management regarding this type of payment. Because it allows administrative increases that follow the Consumer Price Index, it prevents the need to repeatedly ask the Legislature to increase the amount to reflect inflation.

Testimony Against: None.

Testified: Jim Hedrick, Office of Financial Management.