

2024 Regular Session

HOUSE BILL NO. 352

BY REPRESENTATIVE TARVER

EMPLOYMENT: Provides relative to the final payment after termination of employment

1 AN ACT

2 To enact R.S. 23:631(E), relative to employment; to provide for the payment of
3 compensation; to provide for payment after termination of employment under certain
4 circumstances; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 23:631(E) is hereby enacted to read as follows:

7 §631. Discharge or resignation of employees; payment after termination of
8 employment

9 * * *

10 E. (1) For purposes of this Section and R.S. 23:634, compensation available
11 in the form of commission, incentive pay, or bonus shall be considered an amount
12 then due only if, at the time of separation, the compensation has been earned and not
13 modified or extinguished in accordance with a written policy addressing the
14 commission, incentive pay, or bonus.

15 (2) The following provisions shall be lawful:

16 (a) A policy requiring the laborer or employee to be employed on the date,
17 according to the policy, the payment is due without regard for the reason the laborer
18 or employee separated.

19 (b) A policy providing for adjustments to the amount based on changes to
20 the order generating a commission which affects the amount of the commission.

1 (c) A policy providing that a payment to the laborer or employee is not
2 earned unless and until the employer has received the payment which generates the
3 commission, incentive pay, or bonus.

4 (3) In the case of a bonus, the amount of which is determined by financial
5 information reflecting the employee's performance on an annual, quarterly, or other
6 periodic basis, a reasonable amount of time shall be allowed based on standard
7 accounting practices used by the employer to make the determination as to whether
8 a bonus is due and the amount thereof.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 352 Original

2024 Regular Session

Tarver

Abstract: Provides relative to payment received after termination of employment.

Proposed law provides that for the purpose of proposed law and present law, compensation available in the form of commission, incentive pay, or bonus shall be considered an amount then due only if, at the time of separation, the compensation has been earned and not modified or extinguished in accordance with a written policy addressing the commission, incentive pay, or bonus.

Proposed law provides that the following shall be lawful:

- (1) A policy requiring the laborer or employee to be employed on the date, according to the policy, the payment is due without regard for the reason the laborer or employee separated.
- (2) A policy providing for adjustments to the amount based on changes to the order generating a commission which affects the amount of the commission.
- (3) A policy providing that a payment to the laborer or employee is not earned unless and until the employer has received the payment which generates the commission, incentive pay, or bonus.

Proposed law provides that, in the case of a bonus, the amount of which is determined by financial information reflecting the employer's performance on an annual, quarterly, or other periodic basis, a reasonable amount of time shall be allowed based on standard accounting practices used by the employer to make the determination as to whether a bonus is due and the amount thereof.

(Adds R.S. 23:631(E))