

2024 Regular Session

SENATE BILL NO. 317

BY SENATOR STINE

EMPLOYMENT. Provides relative to the final payment after termination of employment.
(8/1/24)

1 AN ACT

2 To enact R.S. 23:631(E), relative to payment of employees; to provide relative to the
3 payment of wages upon separation from employment; and to provide for related
4 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
11 available in the form of commission, incentive pay, or bonus shall be considered
12 an amount then due only if, at the time of separation, the compensation has
13 been earned and not modified or extinguished in accordance with a written
14 policy addressing the 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
17 date, according to the policy, the payment is due without regard for the reason

1 the laborer or employee separated.

2 **(b) A policy providing for adjustments to the amount based on changes**
 3 **to the order generating a commission which affects the amount of the**
 4 **commission.**

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

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

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Yoursheka D. Butler.

DIGEST

SB 317 Original

2024 Regular Session

Stine

Proposed law provides that for the purpose of proposed law and present law, compensation available in the form of commission, incentive pay, or bonus will 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 are 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.
- (4) 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 will 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.

Effective August 1, 2024.

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