CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA

GLENN SPENCER
SENIOR VICE PRESIDENT
EMPLOYMENT POLICY DIVISION

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March 6, 2020

The Honorable James Conley Justice II Governor of West Virginia Room 229M, Building 1 State Capitol Complex Charleston, WV 25305

RE: Support for HB 2646

Dear Governor Justice:

The U.S. Chamber of Commerce supports HB 2646, the proposal to add a Safe Harbor provision to the Wage Payment and Collection Act (WPCA, WV Code § 21-5-4), which the West Virginia House of Delegates and the West Virginia Senate have passed. We support this bill and encourage you to sign it into law.

Currently, if an employer fails to timely pay wages and benefits, the employer will be liable for liquidated damages (a penalty that is equal to double the underlying amount), and large sums in attorneys' fees. These claims are expensive to resolve because they often involve class action litigation against employers, including many small businesses.

The Safe Harbor provision would give employers seven days to remedy any alleged underpayment before the employer becomes liable for liquidated damages and attorneys' fees. Moreover, before someone could participate in a class action under the WPCA, she or he would have to provide notice to the employer regarding any alleged underpayment so that the employer would have the opportunity to correct any mistakes.

This is sensible legislation that is consistent with the worthy goal of the WPCA, which is to make sure that employees receive all compensation in a timely manner. The Safe Harbor language would encourage employers and employees to communicate and resolve disputes regarding unpaid wages before liability attaches for penalties and attorneys' fees. The Chamber respectfully asks that you sign this legislation into law.

Sincerely,

Glenn Spencer