

Senate Commerce Committee

Aaron Jones 271-2609

SB 100, relative to the payment of salaried employees.

Hearing Date: January 24, 2023

Time Opened: 9:30 a.m.

Time Closed: 9:35 a.m.

Members of the Committee Present: Senators Gannon, Ricciardi, Innis and Chandley

Members of the Committee Absent : Senator Soucy

Bill Analysis: This bill addresses payment of wages for a salaried employee following notice of termination of employment within the next 14 days.

Sponsors:
Sen. Murphy

Who supports the bill: Senator Keith Murphy

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented in support:

Senator Keith Murphy

- This bill was filed at the request of a constituent.
- The constituent had a salaried manager give their two week notice after five days. Since a new pay period had begun, the employer decided to terminate the employee. Subsequently, the employee filed a complaint with the NH Labor Commission that his notice had been converted into a firing. Since the employer had not taken the notice, the Commission agreed that the employee was owed a check for the subsequent two week pay period.
- Senator Murphy believed this had been a case of an agency not applying the law as it had been intended.
- **Senator Chandley** asked if the employee had given their notice, but they intended to work another two weeks.
 - **Senator Murphy** said the employee intended to work the rest of the pay period, which would have been thirteen days.

- **Senator Chandley** said it had sounded like the employer had fired the person; however, she was not sure if she understood the situation.
 - **Senator Murphy** responded that the situation may have been unique; however, when an employee has stated they are quitting, and an employer has stated they do not need to work the rest of the notice, then it does not automatically transform a quit into a firing.
- **Senator Chandley** said there had been no indication from the employer that they would not pay the employee after their firing.
 - If the bill were passed, **Senator Murphy** stated an employer would not need to pay the employee the two weeks if they were not there.
- **Senator Gannon** asked if an employer could take a two week notice as an immediate notification without providing two weeks of pay. He believed they were telling employees to not give their notice.
 - **Senator Murphy** said it would be at the discretion of the employer. From his experience, for example, this would not apply to an employee who has worked 10 or 15 years because they provide a notice longer than two weeks. If necessary, he supported any amendments to the bill.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

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Date Hearing Report completed: January 25, 2023