CHAPTER 10

Payment of Wages

**SECTION 41‑10‑10.** Definitions.

As used in this chapter:

(1) "Employer" means every person, firm, partnership, association, corporation, receiver, or other officer of a court of this State, the State or any political subdivision thereof, and any agent or officer of the above classes employing any person in this State.

(2) "Wages" means all amounts at which labor rendered is recompensed, whether the amount is fixed or ascertained on a time, task, piece, or commission basis, or other method of calculating the amount and includes vacation, holiday, and sick leave payments which are due to an employee under any employer policy or employment contract. Funds placed in pension plans or profit sharing plans are not wages subject to this chapter.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1990 Act No. 463, Section 1, eff May 7, 1990.

Effect of Amendment

The 1990 amendment deleted in subsection (2) "and severance" following "sick leave".

**SECTION 41‑10‑20.** Applicability of chapter.

This chapter applies to all employers in South Carolina except that Section 41‑10‑30 does not apply to:

(1) employers of domestic labor in private homes.

(2) employers employing fewer than five employees at all times during the preceding twelve months.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986.

**SECTION 41‑10‑30.** Notification to employees of wages and hours agreed upon; recordkeeping requirements; requirement of itemized statement of gross pay and deductions for each pay period.

(A) Every employer shall notify each employee in writing at the time of hiring of the normal hours and wages agreed upon, the time and place of payment, and the deductions which will be made from the wages, including payments to insurance programs. The employer has the option of giving written notification by posting the terms conspicuously at or near the place of work. Any changes in these terms must be made in writing at least seven calendar days before they become effective. This section does not apply to wage increases.

(B) Every employer shall keep records of names and addresses of all employees and of wages paid each payday and deductions made for three years.

(C) Every employer shall furnish each employee with an itemized statement showing his gross pay and the deductions made from his wages for each pay period.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1990 Act No. 463, Section 2, eff May 7, 1990.

Effect of Amendment

The 1990 amendment, in subsection (A), added "normal" before "hours and wages", and added at the end "This section does not apply to wage increases.", and added "for three years" at the end of subsection (B).

**SECTION 41‑10‑40.** Medium of payment; deposit of wages to employee's credit; prohibition against deductions in absence of written notice; time and place of payment.

(A) Every employer in the State shall pay all wages due in lawful United States money or by negotiable warrant or check bearing even date with the payday.

(B) An employer may deposit all wages due to the employee's credit at a financial institution which is doing business in the State and is insured by an agency of the federal government. When an employee's wages are paid by deposit at a financial institution, he must be furnished a statement of earnings and withholdings. Any wage deposit plan adopted by an employer shall entitle each employee to at least one withdrawal for each deposit, free of any service charge.

(C) An employer shall not withhold or divert any portion of an employee's wages unless the employer is required or permitted to do so by state or federal law or the employer has given written notification to the employee of the amount and terms of the deductions as required by subsection (A) of Section 41‑10‑30.

(D) Every employer in the State shall pay all wages due at the time and place designated as required by subsection (A) of Section 41‑10‑30.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986.

**SECTION 41‑10‑50.** Payment of wages due discharged employees.

When an employer separates an employee from the payroll for any reason, the employer shall pay all wages due to the employee within forty‑eight hours of the time of separation or the next regular payday which may not exceed thirty days.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1990 Act No. 463, Section 3, eff May 7, 1990.

Effect of Amendment

The 1990 amendment substituted "When" for "Whenever" and deleted at the end "after written notice is given".

**SECTION 41‑10‑60.** Unconditional payment of wages conceded due.

In case of a dispute over wages, the employer shall give written notice to the employee of the amount of wages which he concedes to be due and shall pay the amount without condition within the time set by this chapter. Acceptance by the employee of the payment does not constitute a release as to the balance of his claim.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986.

**SECTION 41‑10‑70.** Investigation of alleged violations; resolution of disputes.

Upon written complaint of any employee alleging a violation of this chapter, the Director of the Department of Labor, Licensing and Regulation or his designee may institute an investigation of the alleged violation. If the Director of the Department of Labor, Licensing and Regulation or his designee determines that a violation exists, he shall endeavor to resolve all issues by informal methods of mediation and conciliation.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1990 Act No. 463, Section 4, eff May 7, 1990; 1993 Act No. 181 Section 977, eff February 1, 1994.

Effect of Amendment

The 1990 amendment deleted the "(A)" at the beginning of the former first paragraph and deleted subsection (B) relating to the commissioner's authority to decide disputes.

**SECTION 41‑10‑80.** Violations and penalties; civil actions by employees; administrative review of civil penalties.

(A) Any employer who violates the provisions of Section 41‑10‑30 must be given a written warning by the Director of the Department of Labor, Licensing and Regulation or his designee for the first offense and must be assessed a civil penalty of not more than one hundred dollars for each subsequent offense.

(B) Any employer who violates the provisions of Section 41‑10‑40 must be assessed a civil penalty of not more than one hundred dollars for each violation. Each failure to pay constitutes a separate offense.

(C) In case of any failure to pay wages due to an employee as required by Section 41‑10‑40 or 41‑10‑50 the employee may recover in a civil action an amount equal to three times the full amount of the unpaid wages, plus costs and reasonable attorney's fees as the court may allow. Any civil action for the recovery of wages must be commenced within three years after the wages become due.

(D) The Director of the Department of Labor, Licensing and Regulation or his designee shall promulgate regulations to establish a procedure for administrative review of any civil penalty assessed by the Director.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1990 Act No. 463, Section 5, eff May 7, 1990; 1993 Act No. 181, Section 977, eff February 1, 1994.

Effect of Amendment

The 1990 amendment, in (C), added the provision requiring commencement of action within three years, and deleted (E), relating to criminal penalty for failing to pay wages within ten days after demand.

The 1993 amendment, substituted "Director of the Department of Labor, Licensing, and Regulation or his designee" for "Commissioner of Labor".

**SECTION 41‑10‑90.** Actions for collection of penalties; deposit of amounts collected.

In each case where a civil penalty assessed under subsection (A) or (B) of Section 41‑10‑80 is not paid within sixty days the Director of the Department of Labor, Licensing and Regulation or his designee shall bring an action against the assessed employer for collection of the penalty. Any amounts collected must be turned over to the State Treasurer for deposit in the general fund of the State.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1993 Act No. 181, Section 977, eff February 1, 1994.

Effect of Amendment

The 1993 amendment substituted "Director of the Department of Labor, Licensing, and Regulation or his designee" for "Commissioner of Labor".

**SECTION 41‑10‑100.** Prohibition against private agreements that contravene chapter.

No provision of this chapter may be contravened or set aside by a private agreement.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986.

**SECTION 41‑10‑110.** Right of the Director of the Department of Labor, Licensing and Regulation to enter and to conduct investigation.

The Director of the Department of Labor, Licensing and Regulation or his designee, his inspectors, agents, or designees, upon proper presentation of credentials to the owner, manager, or agent of the employer, may enter at reasonable times and have the right to question either publicly or privately any employer, owner, manager, or agent and the employees of the employer and inspect, investigate, reproduce, or photograph time records or payroll records for the purpose of determining that the provisions of this chapter are complied with.

HISTORY: 1986 Act No. 380, Section 1, eff April 21, 1986; 1993 Act No. 181, Section 977, eff February 1, 1994.

Effect of Amendment

The 1993 amendment substituted "Director of the Department of Labor, Licensing, and Regulation or his designee" for "Commissioner of Labor".