

LABOR CODE

TITLE 2. PROTECTION OF LABORERS

SUBTITLE C. WAGES

CHAPTER 64. REDEMPTION OF EMPLOYER'S EVIDENCES OF INDEBTEDNESS FOR
WAGES

Sec. 64.001. DEFINITIONS. In this chapter:

(1) "Employer's evidence of indebtedness" means an instrument, other than money, used by a person to pay an employee or laborer of the person for labor or otherwise. The term includes:

- (A) a coupon;
- (B) a chip;
- (C) scrip;
- (D) a punchout; and
- (E) a store order.

(2) "Holder" means an employee, laborer, or other bona fide holder who holds an employer's evidence of indebtedness.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 9.18(a), eff. Sept. 1, 1995.

Sec. 64.002. REDEMPTION OF EVIDENCE OF INDEBTEDNESS. (a) A person who uses an employer's evidence of indebtedness shall, on the demand for redemption and presentation of the employer's evidence of indebtedness by the holder on a regular payday, redeem the employer's evidence of indebtedness:

- (1) for United States currency; and
- (2) at the face value of the employer's evidence of indebtedness.

(b) The face value of an employer's evidence of indebtedness is currency equal to the cash value of the purchasing power in merchandise at the commissary or other repository of the person.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 9.18(a), eff. Sept. 1, 1995.

Sec. 64.003. ACTION TO ENFORCE REDEMPTION; PENALTY. (a) A holder who under Section 64.002 presents an employer's evidence of indebtedness and demands redemption is entitled, if the person

using the employer's evidence of indebtedness refuses redemption, to recover from that person:

(1) the value of the employer's evidence of indebtedness;

(2) a penalty in an amount equal to 25 percent of the amount due; and

(3) costs of court and reasonable attorney's fees.

(b) The holder may bring an action under Subsection (a) in the holder's own name.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 9.18(a), eff. Sept. 1, 1995.