

Labor & Employment

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## Massachusetts Enacts Law Mandating Treble Damages for All Violations of State's Wage Laws

On April 14, Senate Bill 1059 became law when Governor Deval Patrick neither signed nor vetoed the legislation. Under this statute, Massachusetts courts will be required to award treble damages (*i.e.*, triple the amount of lost wages or other benefits) in *every* case in which an employee prevails in a wage and hour claim under state law.

Previously, courts had interpreted language in the Commonwealth's wage and hour statutes as giving courts the discretion to award treble damages in cases where the employer's conduct was particularly egregious. The new law will allow courts no discretion, requiring the award of treble damages for *every* violation of state wage and hour laws. Even inadvertent violations or violations based on an employer's good-faith misunderstanding of its legal obligations will be subject to treble damages. The new law will take effect on July 13, 2008.

The Commonwealth has numerous wage and hour statutes, the applications of which are often confusing and unclear to employers. These laws govern, among other matters:

- Timely Payment of Wages
- · Minimum Wage
- · Overtime Payment
- Tip Payments

The new requirement of mandatory treble damages, coupled with existing provisions for mandatory payment of a prevailing employee's reasonable attorney's fees and costs, will certainly increase the frequency with which these claims are brought, as well as the potential liabilities faced by employers. This means that it is more critical than ever that Massachusetts employers ensure that their wage and hour practices are fully compliant with state law.

For more information concerning the new law, and assistance in evaluating your wage and hour practices, please contact any member of Ropes & Gray's Labor and Employment Department.

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