

CHAPTER 246
2015 -- H 5590 SUBSTITUTE A
Enacted 07/15/2015

A N A C T
RELATING TO LABOR AND LABOR RELATIONS -- PAYMENT OF WAGES

Introduced By: Representatives Tobon, Melo, Abney, Solomon, and Coughlin

Date Introduced: February 25, 2015

It is enacted by the General Assembly as follows:

SECTION 1. Section 28-14-10.1 of the General Laws in Chapter 28-14 entitled "Payment of Wages" is hereby amended to read as follows:

28-14-10.1. Payment of wages directly to employee's account in financial institution.

-- (a) Notwithstanding any other provision of law, upon written or electronic request an employee of a state agency or any other employer may authorize a disbursing officer to make payment by sending to a financial organization designated by the employee a check or credit in the amount of net pay due to the employee drawn in favor of the organization and for credit to the checking account or payroll card of the employee or for deposit in the savings account of the employee or for the purchase of shares for the employee.

(b) If more than one employee to whom a payment is to be made designates the same financial organization, the disbursing officer shall make the payment by sending to the organization a check or credit that is drawn in favor of the organization for the total amount designated by those employees and by specifying the amount to be credited to the account of each of those employees.

(c) "State agency" means any department, agency, board, office, or commission in state government.

(d) "Financial organization" means any bank, savings bank, savings and loan association or similar institution, or federal or state chartered credit union.

(e) "Payroll card account" means an account that is directly or indirectly established through an employer to which transfers of the employee's wages, salary or other compensation are made, and which carries the consumer protections that apply to payroll card accounts under the Electronic Fund Transfer Act 15 U.S.C. § 1693 et seq., and Regulation E, 29 C.F.R. Part 1005, as may be amended.

(f) If an employer pays wages to an employee by credit to a payroll account:

(1) Except as provided in subsection (f)(2) of this section, the employee must be able to make at least one withdrawal from the payroll card account in each pay period without charge for any amount up to and including the full amount of the employee's net wages for the pay period.

(2) If the employee's wages are paid more frequently than weekly, the employee must be able to make at least one withdrawal from the payroll card account each week without charge for any amount up to and including the full amount of the employee's net wages for that week.

(3) Employees who receive wages by credit to a payroll card account must be provided with a means of checking their payroll card account balances, either through an automated telephone system, or online, through the use of the internet, without cost, irrespective of the number of inquiries made.

~~(e)~~(g) The provisions of this section shall be with the consent of the employer.

SECTION 2. This act shall take effect upon passage.

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