
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1274 Session of
2015

INTRODUCED BY MULLERY, V. BROWN, CALTAGIRONE, SCHREIBER,
C. PARKER, CARROLL, MURT AND ROZZI, JUNE 2, 2015

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, JUNE 2, 2015

AN ACT

1 Amending the act of July 14, 1961 (P.L.637, No.329), entitled
2 "An act relating to the payment of wages or compensation for
3 labor or services; providing for regular pay days; conferring
4 powers and duties upon the Department of Labor and Industry,
5 including powers and duties with respect to the civil
6 collection of wages; providing civil and criminal penalties
7 for violations of the act; providing for their collection and
8 disposition and providing for additional civil damages,"
9 further providing for definitions and for regular payday; and
10 providing for payroll cards and for additional penalty.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 2.1 of the act of July 14, 1961 (P.L.637,
14 No.329), known as the Wage Payment and Collection Law, is
15 amended by adding definitions to read:

16 Section 2.1. Definitions.--The following words and phrases
17 when used in this act shall have, unless the context clearly
18 indicates otherwise, the meanings given to them in this section:

19 * * *

20 "Lawful money." The legal tender of the United States.

21 "Payroll card." A prepaid card or other device used by an
22 employe to access wages from a payroll card account.

1 "Payroll card account." An account that is directly or
2 indirectly established through an employer into which an
3 employer transfers an employe's wages, other than fringe
4 benefits and wage supplements.

5 "Payroll card issuer." A financial institution or other
6 entity issuing a payroll card to employes on behalf of their
7 employer.

8 * * *

9 Section 2. Section 3 of the act, amended July 14, 1977,
10 (P.L.82, No.30), is amended to read:

11 Section 3. Regular Payday.--(a) Wages other than fringe
12 benefits and wage supplements. Every employer shall pay all
13 wages, other than fringe benefits and wage supplements, due to
14 his employes on regular paydays designated in advance by the
15 employer. Overtime wages may be considered as wages earned and
16 payable in the next succeeding pay period. All wages, other than
17 fringe benefits and wage supplements, earned in any pay period
18 shall be due and payable within the number of days after the
19 expiration of said pay period as provided in a written contract
20 of employment or, if not so specified, within the standard time
21 lapse customary in the trade or within 15 days from the end of
22 such pay period. The wages shall be paid [in lawful money of the
23 United States or check] using one or more of the following
24 methods, except that deductions provided by law, or as
25 authorized by regulation of the Department of Labor and Industry
26 for the convenience of the employe, may be made including
27 deductions of contributions to employe benefit plans which are
28 subject to the Employee Retirement Income Security Act of 1974,
29 29 U.S.C. § 1001 et seq.

30 (1) In lawful money of the United States.

1 (2) Via check payable at face value upon demand in lawful
2 money of the United States.

3 (3) Via electronic automated fund transfer in lawful money
4 of the United States into an account in the name of the employe
5 at a financial institution designated by the employe, provided
6 that the employe voluntarily provides advance authorization, in
7 writing, permitting payment of the employe's wages in this
8 manner.

9 (4) Via credit to a payroll card in accordance with the
10 provisions of this act if the employe voluntarily provides
11 advance authorization, in writing, permitting payment of the
12 employe's wages in this manner.

13 (a.1) Violation. Payment by any means other than those
14 described in subsection (a)(1), (2), (3) or (4) shall constitute
15 nonpayment of wages and shall be a violation of this act subject
16 to the penalties under this act.

17 (b) Fringe benefits and wage supplements. Every employer who
18 by agreement deducts union dues from employes' pay or agrees to
19 pay or provide fringe benefits or wage supplements, must remit
20 the deductions or pay or provide the fringe benefits or wage
21 supplements, as required, within 10 days after such payments are
22 required to be made to the union in case of dues or to a trust
23 or pooled fund, or within 10 days after such payments are
24 required to be made directly to the employe, or within 60 days
25 of the date when proper claim was filed by the employe in
26 situations where no required time for payment is specified.

27 (c) Access to full wages. In cases where an employer pays an
28 employe via credit to a payroll card, the following provisions
29 shall apply:

30 (1) Except as provided in paragraph (2), an employe must be

1 permitted to make, at minimum, one withdrawal or transfer from
2 the payroll card account per pay period, free of charge, for any
3 amount, up to the full amount of wages paid for the pay period.

4 (2) If wages are paid more frequently than on a weekly
5 basis, employes must be permitted to make, at minimum, one
6 withdrawal or transfer each week, free of charge, for any
7 amount, up to the full amount of wages paid for the pay period.

8 (3) Fees assessed by the payroll card issuer in accordance
9 with the provisions of section 3.1 may not be deemed to be
10 deductions from an employe's wages in violation of this section.

11 Section 3. The act is amended by adding a section to read:

12 Section 3.1. Payroll Cards.--(a) Payroll card balance
13 inquiries. An employe receiving wages via credit to a payroll
14 card shall be provided with a means of checking the employe's
15 payroll card account balance through an automated telephone
16 system and one additional electronic means on a no-cost basis to
17 the employe, regardless of the number of inquiries made.

18 (b) Notification. Prior to obtaining advance authorization,
19 in writing, for payment of an employe's wages via credit to a
20 payroll card, an employer shall provide the employe with notice
21 of the following in paper or printable form:

22 (1) The terms and conditions related to the use of the
23 payroll card.

24 (2) The no-cost methods available to the employe for
25 accessing wages.

26 (3) The no-cost methods available to the employe for
27 checking payroll card account balances.

28 (4) A list of all fees that may be assessed to the employe
29 by the payroll card issuer.

30 (5) A statement regarding possible transaction fees assessed

1 by third parties in addition to the fees assessed by the payroll
2 card issuer.

3 (c) Deposit insurance. Wages credited to a payroll card
4 account must be insured by the Federal Deposit Insurance
5 Corporation (FDIC) or the National Credit Union Administration
6 (NCUA) on a pass-through basis to the employe.

7 Section 4. This act shall take effect in 60 days.