

HB 1648 - AS INTRODUCED

2024 SESSION

24-3128

10/08

HOUSE BILL **1648**

AN ACT relative to electronic payments to employees debit cards.

SPONSORS: Rep. Kofalt, Hills. 32; Rep. Sweeney, Rock. 25; Rep. S. Smith, Sull. 3; Rep. Aron, Sull. 4; Rep. Ammon, Hills. 42; Rep. Alexander Jr., Hills. 29

COMMITTEE: Labor, Industrial and Rehabilitative Services

ANALYSIS

This bill clarifies the obligations of employers using employee debit cards for payment of wages.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Four

AN ACT relative to electronic payments to employees debit cards.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Payment of Wages Electronic Payments to Employee Debit Cards. Amend RSA 275:43, I and
2 II to read as follows:

3 I. Every employer shall pay all wages due to employees within 8 days after the expiration of
4 the work week if the employee is paid on a weekly basis, or within 15 days after the expiration of the
5 work week if the employee is paid on a biweekly basis, except when permitted to pay wages less
6 frequently as authorized by the commissioner pursuant to paragraph IV or IV-a(a), on regular
7 paydays designated in advance by the employer and at no cost to the employee:

8 (a) In lawful money of the United States;

9 (b) By electronic fund transfer;

10 (c) By direct deposit ~~[with written authorization of the employee]~~ to banks of the
11 employee's choice;

12 (d) By a payroll card provided that the employer shall provide to the employee ~~[at least~~
13 ~~one free means]~~ **the ability** to withdraw up to and including the full amount of the employee balance
14 in the employee's payroll card or payroll card account during each pay period at a financial
15 institution or other location convenient to the place of employment. ***If an employee is unable to***
16 ***access their wages due to a technical or processing defect, the employer shall immediately***
17 ***provide the wages to the employee with either a replacement employee debit card, a check,***
18 ***a direct deposit, or cash. In such a situation, the employer shall be liable for late payment***
19 ***of wages whenever the replacement wages are provided after the designated pay day. If an***
20 ***employee debit card is lost, stolen, or damaged such that the funds are no longer accessible***
21 ***to the employee, the employer shall provide the employee with a replacement employee debit***
22 ***card within 24 hours of being notified.*** None of the employer's costs associated with a payroll
23 card or payroll card account shall be passed on to the employee; or

24 (e) With checks on a financial institution convenient to the place of employment where
25 suitable arrangements are made for the cashing of such checks by employees for the full amount of
26 the wages due; provided, however, that ~~[if an employer elects to pay employees as specified in~~
27 ~~subparagraphs (b), (c), or (d), the employer shall offer employees the option of being paid as specified~~
28 ~~in subparagraph (e), and further provided that]~~ all wages in the nature of health and welfare fund or
29 pension fund contributions required pursuant to a health and welfare fund trust agreement, pension
30 fund trust agreement, collective bargaining agreement, or other agreement adopted for the benefit of
31 employees and agreed to by the employer shall be paid by every such employer within 30 days of the

1 date of demand for such payment, the payment to be made to the administrator or other designated
2 official of the applicable health and welfare or pension trust fund.

3 ***I-a. Nothing in this section shall prohibit an employee or an organized labor group***
4 ***from negotiating the method of payment of wages with the employer.***

5 II. If an employer offers its employees the option of receiving wages by a payroll card, the
6 employer shall:

7 (a) Provide to the employee written disclosure in plain language of all the employee's
8 wage payment options. The written disclosure shall state the terms and conditions of the payroll
9 card account option, including, but not limited to, the requirements set forth in this section and a
10 complete itemized list of all known fees that may be deducted from the employee's payroll card
11 account by the employer or card issuer. The disclosure shall also state whether third parties may
12 assess transaction fees in addition to the fees assessed by the employee's payroll card issuer or
13 issuers. In no event shall the employer provide payment of wages to a payroll card that has an
14 expiration date, unless the employer agrees to provide a replacement payroll card before the
15 expiration date at no cost to the employee.

16 (b) Initiate payment of wages to an employee by electronic fund transfer to a payroll
17 card account only after the employee has ~~[voluntarily consented in writing to that method of~~
18 ~~payment. Consent to payment of wages by electronic fund transfer to a payroll card account shall~~
19 ~~not be a condition of hire or of continued employment. The written consent signed by the employee~~
20 ~~shall include the terms and conditions of the payroll card account option.]~~ ***failed to provide bank***
21 ***information to enable direct deposit as specified in subparagraph I(c) within 14 calendar***
22 ***days of the employer's request. An employer that wishes to offer only electronic wage***
23 ***payment under subparagraphs I(c)-(d) shall advise employees that failure to provide bank***
24 ***information shall result in wage payments via payroll card.***

25 (c) Provide written notice of any change to any of the terms and conditions of the payroll
26 card or payroll card account, including, but not limited to an itemized list of all fees that may have
27 changed~~[, and obtain written assent from the employee that the employee voluntarily consents to~~
28 ~~receive wages to a payroll card or payroll card account subject to the changes]~~. The employer shall
29 be responsible for any increase in fees charged to the employee before the employer provides written
30 notice of such changes to the employee.

31 (d) Provide the employee the option to discontinue receipt of wages by a payroll card or
32 payroll card account, ***and instead to receive wages via direct deposit***, at any time, without
33 penalty to the employee.

34 (e) ***The employer shall provide employees with a list of banks and institutions***
35 ***where funds can be withdrawn from employee debit card accounts with no fees, or provide***
36 ***a website address where that information can be obtained within 60 days of enrolling in***
37 ***employee debit card payment.***

HB 1648 - AS INTRODUCED

- Page 3 -

1 2 Effective Date. This act shall take effect 60 days after its passage.