

HOUSE No. 1931

The Commonwealth of Massachusetts

PRESENTED BY:

Francisco E. Paulino and Pavel M. Payano

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to employee wage payment.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Francisco E. Paulino</i>	<i>16th Essex</i>	<i>1/11/2023</i>
<i>Pavel M. Payano</i>	<i>First Essex</i>	<i>1/19/2023</i>
<i>Lindsay N. Sabadosa</i>	<i>1st Hampshire</i>	<i>1/30/2023</i>
<i>Michelle M. DuBois</i>	<i>10th Plymouth</i>	<i>2/7/2023</i>
<i>Priscila S. Sousa</i>	<i>6th Middlesex</i>	<i>2/15/2023</i>

HOUSE No. 1931

By Representative Paulino of Methuen and Senator Payano, a joint petition (accompanied by bill, House, No. 1931) of Francisco E. Paulino, Pavel M. Payano and others relative to employee wage payments. Labor and Workforce Development.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

An Act relative to employee wage payment.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Section 148 of chapter 149 of the General Laws, as appearing in the 2020 Official
2 Edition, is hereby amended by striking out the seventh paragraph and inserting in place thereof
3 the following 11 paragraphs:-

4 Every employer shall pay all wages due to employees on regular paydays designated in
5 advance by the employer and at no cost to the employee. Wages shall be paid to an employee by
6 an employer:

7 (1) in lawful money of the United States;

8 (2) by electronic fund transfer;

9 (3) by direct deposit with written authorization of the employee to a financial institution
10 of the employee's choice;

11 (4) by a payroll card provided by the employer that shall provide at least 1 free means to
12 withdraw up to the full amount of the balance on the employee's payroll card or payroll card
13 account during each pay period at a financial institution or other location convenient to the place
14 of employment. None of the employer's costs associated with a payroll card or payroll card
15 account shall be passed on to the employee; or

16 (5) with a check on a financial institution convenient to the place of employment where
17 suitable arrangements are made for the cashing of such checks by employees for the full amount
18 of wages due; provided, however, that if an employer elects to pay employees as specified in
19 paragraphs (2), (3) or (4), the employer shall offer employees the option of being paid as
20 specified in this paragraph; and provided further, that all wages in the nature of health and
21 welfare fund or pension fund contributions required pursuant to a health and welfare fund trust
22 agreement, pension fund trust agreement, collective bargaining agreement or other agreement
23 adopted for the benefit of employees and agreed to by the employer shall be paid by every such
24 employer within 30 days of the date of demand for such payment, with the payment to be made
25 to the administrator or other designated official of the applicable health and welfare or pension
26 trust fund.

27 If an employer offers its employees the option of receiving wages by a payroll card, the
28 employer shall:

29 (1) provide to the employee written disclosure in plain language of all the employee's
30 wage payment options. The written disclosure shall state the terms and conditions of the payroll
31 card account option, including, but not limited to, the requirements set forth in this section and a
32 complete itemized list of all known fees that may be deducted from the employee's payroll card

33 account by the employer or card issuer. The disclosure shall also state whether third parties may
34 assess transaction fees in addition to the fees assessed by the employee's payroll card issuer. In
35 no event shall the employer provide payment of wages to a payroll card that has an expiration
36 date, unless the employer agrees to provide a replacement payroll card before the expiration date
37 at no cost to the employee;

38 (2) initiate payment of wages to an employee by electronic fund transfer to a payroll card
39 account only after the employee has voluntarily consented in writing to that method of payment.
40 Consent to payment of wages by electronic fund transfer to a payroll card account shall not be a
41 condition of hire or continued employment. The written consent signed by the employee shall
42 include the terms and conditions of the payroll card account option;

43 (3) provide written notice of any change to any of the terms and conditions of the payroll
44 card or payroll card account, including, but not limited to, an itemized list of all fees that may
45 have changed, and obtain written assent from the employee that the employee voluntarily
46 consents to receive wages to a payroll card or payroll card account subject to the changes. The
47 employer shall be responsible for any increase in fees charged to the employee before the
48 employer provides written notice of such changes to the employee; and

49 (4) provide the employee the option to discontinue receipt of wages by a payroll card or
50 payroll card account at any time, without penalty to the employee.