
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1762 Session of
2021

INTRODUCED BY FLOOD, HENNESSEY AND BERNSTINE, AUGUST 5, 2021

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, AUGUST 5, 2021

AN ACT

1 Amending the act of December 19, 1975 (P.L.604, No.173),
2 entitled "An act to facilitate the use of electronic funds
3 transfer systems by providing that credits to accounts in
4 financial institutions designated by recipients shall satisfy
5 legal requirements for payments by cash or checks," further
6 providing for payroll card accounts.

7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Section 2.1(3), (4) and (9) of the act of
10 December 19, 1975 (P.L.604, No.173), entitled "An act to
11 facilitate the use of electronic funds transfer systems by
12 providing that credits to accounts in financial institutions
13 designated by recipients shall satisfy legal requirements for
14 payments by cash or checks," are amended and the section is
15 amended by adding a paragraph to read:

16 Section 2.1. Payroll card accounts.

17 In addition to any other requirements under this act, all of
18 the following provisions apply when payment of wages, salaries,
19 commissions or other compensation is made through transfers to a
20 payroll card account:

1 * * *

2 [(3) No employer may make the payment of wages, salary,
3 commissions or other compensation by means of a payroll card
4 account a condition of employment or a condition for the
5 receipt of any benefit or other form of remuneration for any
6 employee.]

7 (4) [Prior to obtaining an employee's authorization,
8 the] The employer shall provide the employee with clear and
9 conspicuous notice, in writing or electronically, of all of
10 the following:

11 (i) All of the employee's wage payment options.

12 (ii) The terms and conditions of the payroll card
13 account option, including the fees that may be deducted
14 from the employee's payroll card account by the card
15 issuer.

16 (iii) A notice that third parties may assess fees in
17 addition to the fees assessed by the card issuer.

18 (iv) The methods available to the employee for
19 accessing wages without fees.

20 * * *

21 (9) The employer shall honor an employee's written or
22 electronic request to change the employee's method of
23 receiving wages from a payroll card account to direct deposit
24 [or negotiable check]. The change shall take effect as soon
25 as practicable, but no later than the first payday after 14
26 days from receipt by the employer of the employee's request
27 and any information necessary to implement the change.

28 (9.1) An employer may pay all wages due to an employee
29 by deposit on payday at a financial institution of the
30 employee's choice or, if the employee does not designate a

1 financial institution, to a payroll card account.

2 * * *

3 Section 2. This act shall take effect in 60 days.