

HOUSE BILL 986

K3

9lr2206

By: **Harford County Delegation**

Introduced and read first time: February 13, 2009

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Labor and Employment – Payment of Wages – Direct Deposit of Wages**

3 FOR the purpose of authorizing an employer to pay a wage to an employee by direct
4 deposit of the wage under certain circumstances; and generally relating to the
5 payment of wages.

6 BY repealing and reenacting, with amendments,
7 Article – Labor and Employment
8 Section 3–502
9 Annotated Code of Maryland
10 (2008 Replacement Volume)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article – Labor and Employment**

14 3–502.

15 (a) (1) Each employer:

16 (i) shall set regular pay periods; and

17 (ii) except as provided in paragraph (2) of this subsection, shall
18 pay each employee at least once in every 2 weeks or twice in each month.

19 (2) An employer may pay an administrative, executive, or professional
20 employee less frequently than required under paragraph (1)(ii) of this subsection.

21 (b) If the regular payday of an employee is a nonworkday, an employer shall
22 pay the employee on the preceding workday.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (c) Each employer shall pay a wage:

2 (1) in United States currency; [or]

3 (2) by a check that, on demand, is convertible at face value into United
4 States currency; **OR**

5 **(3) BY DIRECT DEPOSIT OF THE WAGE OF AN EMPLOYEE INTO A**
6 **PERSONAL BANK ACCOUNT OF THE EMPLOYEE IN ACCORDANCE WITH AN**
7 **AUTHORIZATION OF THE EMPLOYEE.**

8 (d) (1) In this subsection, “employer” includes a governmental unit.

9 (2) An employer may not print or cause to be printed an employee’s
10 Social Security number on the employee’s wage payment check, an attachment to an
11 employee’s wage payment check, a notice of direct deposit of an employee’s wage, or a
12 notice of credit of an employee’s wage to a debit card or card account.

13 (e) This section does not prohibit the[:

14 (1) direct deposit of the wage of an employee into a personal bank
15 account of the employee in accordance with an authorization of the employee; or

16 (2)] credit of the wage of an employee to a debit card or card account
17 from which the employee is able to access the funds through withdrawal, purchase, or
18 transfer if:

19 [(i)] (1) authorized by the employee; and

20 [(ii)] (2) any fees applicable to the debit card or card account
21 are disclosed to the employee in writing in at least 12 point font.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 October 1, 2009.