

# HOUSE BILL 1442

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By: **Delegate Waldstreicher**

Introduced and read first time: February 12, 2016

Assigned to: Economic Matters

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## A BILL ENTITLED

1 AN ACT concerning

2 **Payment of Wages – Use of Debit Cards and Card Accounts – Regulations**

3 FOR the purpose of authorizing the Commissioner of Labor and Industry to adopt  
4 regulations to govern the credit of wages of employees to debit cards and card  
5 accounts under a certain provision of law; and generally relating to the payment of  
6 wages through the use of debit cards and card accounts.

7 BY repealing and reenacting, with amendments,

8 Article – Labor and Employment

9 Section 3–502

10 Annotated Code of Maryland

11 (2008 Replacement Volume and 2015 Supplement)

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

14 **Article – Labor and Employment**

15 3–502.

16 (a) (1) Each employer:

17 (i) shall set regular pay periods; and

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

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 (c) Each employer shall pay a wage:

4 (1) in United States currency; or

5 (2) by a check that, on demand, is convertible at face value into United  
6 States currency.

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

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

12 (e) This section does not prohibit the:

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

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

18 (i) authorized by the employee; and

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

21 (f) An agreement to work for less than the wage required under this subtitle is  
22 void.

23 **(G) THE COMMISSIONER MAY ADOPT REGULATIONS TO GOVERN THE**  
24 **CREDIT OF A WAGE OF AN EMPLOYEE TO A DEBIT CARD OR CARD ACCOUNT UNDER**  
25 **SUBSECTION (E)(2) OF THIS SECTION, INCLUDING REGULATIONS THAT:**

26 **(1) LIMIT THE TYPES OF DEBIT CARDS OR CARD ACCOUNTS THAT MAY**  
27 **BE USED BASED ON THE AMOUNT OR TYPES OF FEES APPLICABLE TO THE DEBIT**  
28 **CARD OR CARD ACCOUNT;**

29 **(2) REQUIRE EMPLOYERS TO MAKE DISCLOSURES TO THE EMPLOYEE**  
30 **IN ADDITION TO THE DISCLOSURE REQUIRED UNDER SUBSECTION (E)(2)(II) OF THIS**  
31 **SECTION; AND**

1                   **(3) GOVERN THE DISCLOSURE OF EMPLOYEE INFORMATION BY THE**  
2 **EMPLOYER TO THE ISSUER OF THE DEBIT CARD OR THE INSTITUTION WHERE THE**  
3 **CARD ACCOUNT IS HELD.**

4                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 October 1, 2016.