

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Committee Substitute

for

Senate Bill 290

[Originating in the Committee on the Judiciary;
reported on January 25, 2016]

1 A BILL to amend and reenact §21-5-3 of the Code of West Virginia, 1931, as amended, relating
2 to assignment of wages by employers and payment of wages by payroll card; authorizing
3 assignment without notarization or required statement that assignment cannot be for more
4 than twenty-five percent of employee's wages; allowing wage assignments to be valid for
5 longer than one year; and removing requirement for written agreement to pay employee
6 by payroll card.

Be it enacted by the Legislature of West Virginia:

1 That §21-5-3 of the Code of West Virginia, 1931, as amended, be amended and reenacted
2 to read as follows:

ARTICLE 5. WAGE PAYMENT AND COLLECTION.

§21-5-3. Payment of wages by employers other than railroads; assignments of wages.

1 (a) Every person, firm or corporation doing business in this state, except railroad
2 companies as provided in section one of this article, shall settle with its employees at least twice
3 every month and with no more than nineteen days between settlements, unless otherwise
4 provided by special agreement, and pay them the wages due, less authorized deductions and
5 authorized wage assignments, for their work or services.

6 (b) Payment required in subsection (a) of this section shall be made:

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

8 (2) By cash order as described and required in section four of this article;

9 (3) By deposit or electronic transfer of immediately available funds into an employee's
10 payroll card account in a federally insured depository institution. The term "payroll card account"
11 means an account in a federally insured depository institution that is directly or indirectly
12 established through an employer and to which electronic fund transfers of the employee's wages,
13 salary, commissions or other compensation are made on a recurring basis, whether the account
14 is operated or managed by the employer, a third-party payroll processor, a depository institution

15 or another person. "Payroll card" means a card, code or combination thereof or other means of
16 access to an employee's payroll card account, by which the employee may initiate electronic fund
17 transfers or use a payroll card to make purchases or payments; ~~Payment of employee~~
18 ~~compensation by means of a payroll card must be agreed upon in writing by both the person, firm~~
19 ~~or corporation paying the compensation and the person being compensated; or~~

20 (4) By any method of depositing immediately available funds in an employee's demand or
21 time account in a bank, credit union or savings and loan institution that may be agreed upon in
22 writing between the employee and such person, firm or corporation, which agreement shall
23 specifically identify the employee, the financial institution, the type of account and the account
24 number: *Provided*, That nothing herein contained shall be construed in a manner to require any
25 person, firm or corporation to pay employees by depositing funds in a financial institution.

26 (c) If, at any time of payment, any employee shall be absent from his or her regular place
27 of labor and shall not receive his or her wages through a duly authorized representative, he or
28 she shall be entitled to payment at any time thereafter upon demand upon the proper paymaster
29 at the place where his or her wages are usually paid and where the next pay is due.

30 (d) Nothing herein contained shall affect the right of an employee to assign part of his or
31 her claim against his or her employer except as in subsection (e) of this section.

32 (e) ~~No assignment of or order for future wages shall be valid for a period exceeding one~~
33 ~~year from the date of the assignment or order.~~ An assignment or order for future wages shall be
34 acknowledged signed by the party making the same ~~before a notary public or other officer~~
35 ~~authorized to take acknowledgments~~ and any order or assignment shall specify thereon the total
36 amount due and collectible by virtue of the same and three fourths of the periodical earnings or
37 wages of the assignor shall at all times be exempt from such assignment or order and no
38 assignment: ~~or order shall be valid which does not so state upon its face:~~ *Provided*, That no such
39 order or assignment shall be valid unless the written acceptance of the employer of the assignor
40 to the making thereof is endorsed thereon: *Provided, however*, That nothing herein contained

- 41 shall be construed as affecting the right of employer and employees to agree between themselves
42 as to deductions to be made from the payroll of employees.