



ALASKA STATE LEGISLATURE

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SB 79 Payment of Wages; Payroll Card Account

Version A Sectional Analysis

Section 1: Amends AS 23.10.040(a) to add AS 23.10.044 allowing an employer to pay via payroll card account.

Section 2: AS 23.10 is amended by adding section AS 23.10.044

- (a) Allows an employer to pay wages to a payroll card account if an employee has voluntarily authorized or if an employee has not authorized deposit of their wages to a bank account.
- (b) States an employer paying wages to a payroll card account shall notify the employee of the terms and conditions of payroll cards.
- (c) A payroll card account must provide an employee with at least one cost-free withdrawal each pay period, up to the amount of the employee's net wages, and a cost-free mechanism to check the account balance through a phone system and an additional unlimited cost-free electric mechanism to check account balances.
- (d) An employer may not offer a payroll card account that charges fees for employee application or participation in the account, or issuance of an employee's card and one replacement each calendar year, or transfer of employee wages to the account, or point-of-sale purchase transactions.
- (e) An employer may not offer a payroll card account unless the wages are insured on a pass-through basis by an entity that insures bank deposits.
- (f) This section protects employees' right to bargain collectively through representatives of their choice to establish mechanisms for payments of wages.
- (g) Defines "payroll card" and "payroll card account" in statute.