

1 HB299  
2 156141-4  
3 By Representative Collins  
4 RFD: County and Municipal Government  
5 First Read: 21-JAN-14

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ENROLLED, An Act,

Relating to municipalities; to allow a municipality to require its new employees to participate in direct deposit of the employee's wages in a financial institution selected by the employee under certain conditions.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) A municipality may adopt a policy to require new employees hired by the municipality after the adoption of the policy to participate in direct deposit of the employee's wages.

(b) If a municipality elects to pay the wages of its employees by direct deposit, the municipality shall do all of the following:

(1) Provide a municipal employee with an electronic fund transfer authorization form.

(2) Deposit the wage of a municipal employee into a personal bank account at a financial institution selected by the employee on the electronic fund transfer authorization form.

(3) Each time the municipality pays the wage of a municipal employee by direct deposit, provide the employee with a direct deposit statement that includes:

- a. The total amount of the wage.
- b. Any amount deducted from the wage.

1           c. The amount of the wage directly deposited into  
2 the personal bank account selected by the employee.

3           (c) A municipality may not require an employee to  
4 participate in direct deposit of the employee's wages if the  
5 employee would incur fees charged to the employee's account as  
6 a result of the direct deposit and a comparable financial  
7 institution that would not charge a fee for a direct deposit  
8 is not available to the employee in the municipality.

9           (d) An employe may opt out of the direct deposit  
10 requirement by submitting a written request to his or her  
11 employer prior to the end of the first pay period, or once  
12 annually thereafter.

13           Section 2. This act shall become effective on the  
14 first day of the third month following its passage and  
15 approval by the Governor, or its otherwise becoming law.

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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 05-MAR-14.

Jeff Woodard  
Clerk

Senate	01-APR-14	Amended and Passed
House	01-APR-14	Concurred in Senate Amendment