AN ACT Relating to requiring an employer to reimburse employee fees when a paycheck is dishonored by nonacceptance or nonpayment; and amending RCW 49.48.010.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Sec. 1. RCW 49.48.010 and 2020 c 84 s 3 are each amended to read as follows:

(1)(a) When any employer pays an employee's wages with any instrument defined by RCW 62A.3-104 that is subsequently returned for nonsufficient funds, the employer shall reimburse the employee for a fee charged by the employee's financial institution for the dishonored instrument so long as the employee presents the instrument within 30 days of its receipt.

(b) The employer shall not be liable to reimburse any fees incurred by the employee if the employer presents written confirmation by the employer's financial institution that the instrument was returned for nonsufficient funds due to an error.

(2) When any employee shall cease to work for an employer, whether by discharge or by voluntary withdrawal, the wages due him or her on account of his or her employment shall be paid to him or her at the end of the established pay period: PROVIDED, HOWEVER, That this subsection shall not apply when workers are
engaged in an employment that normally involves working for several employers in the same industry interchangeably, and the several employers or some of them cooperate to establish a plan for the weekly payment of wages at a central place or places and in accordance with a unified schedule of paydays providing for at least one payday each week; but this subsection shall not apply to any such plan until ten days after notice of their intention to set up such a plan shall have been given to the director of labor and industries by the employers who cooperate to establish the plan; and having once been established, no such plan can be abandoned except after notice of their intention to abandon such plan has been given to the director of labor and industries by the employers intending to abandon the plan: PROVIDED FURTHER, That the duty to pay an employee forthwith shall not apply if the labor-management agreement under which the employee has been employed provides otherwise.

(3) It shall be unlawful for any employer to withhold or divert any portion of an employee's wages unless the deduction is:

((1))) (a) Required by state or federal law; or

((2))) (b) Except as prohibited under RCW 49.48.160, specifically agreed upon orally or in writing by the employee and employer; or

((3))) (c) For medical, surgical, or hospital care or service, pursuant to any rule or regulation: PROVIDED, HOWEVER, That the deduction is openly, clearly, and in due course recorded in the employer's books and records.

((Paragraph two of this section)) (4) Subsection (3) of this section shall not be construed to affect the right of any employer or former employer to sue upon or collect any debt owed to said employer or former employer by his or her employees or former employees.

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