

# ➔ Payroll Cards: Know Your Rights



## What are Payroll Cards?

Payroll cards are a newer way to get paid. Each pay period, wages are loaded onto a card. Payroll cards look and operate much like debit cards, and can be used to make withdrawals from an ATM or purchases at a store.

**Beginning January 1, 2015, under IL State Law, Payroll Cards are subject to new laws.**

## Workers have the Right To:

**Opt Out of the Payroll Card and Choose another Payment Method:** Your employer must receive your written or electronic consent to pay you via a payroll card (see other options listed on the right). They **MUST** offer you the option to be paid with a paper check and/or direct deposit if you choose those options.

**View Card Disclosure Forms:** Your employer must give you written disclosure that includes information that the program is voluntary, that there are other payment options, and the terms and conditions of the payroll card.

**Access to Wages:** You must be given at least one method of withdrawing all of your wages from the payroll card once per pay period, at an accessible location, with **NO FEES**.

**Access Account Information:** You must have access to at least one paper or electronic transaction history per month. The history should include all deposits, withdrawals, deductions, or charges by any entity from or to your payroll card.

**Check Account Balance by Phone:** You must have unlimited telephone access to customer service for questions.

**Make Two Declined Transactions per Month:** You must be given two free declined transactions each month. If there are more than 2 declined transactions on your card within one month, you may have to pay a “commercially reasonable” fee.

## Other Payroll Options:

*Receiving your wages on a payroll card is **NOT** a condition of your employment or a condition to receive any benefit. You may also choose:*

**Direct Deposit:** Most employers will offer you the ability to have your paycheck directly deposited into your checking or savings account at no cost. This is the cheapest and safest option for workers.

**Paper Check:** Employers are required to offer you the option to receive your wages via a paper check. If you do not have a bank account, you may incur fees when cashing the check.

## Fees may NOT be charged for:

- Point of sale transactions (i.e. using your payroll card to purchase goods or services)
- Loading wages onto the card
- Monthly fees
- Overdraft fees or overdraft service fees

## WARNINGS:

**Fees can be charged for account inactivity after one year of inactivity.**

**If you leave your job, the fees and features of your charge may change after 30 days**

**Question:** Contact the Lucy Mullany, Illinois Asset Building Group, [lmullany@heartlandalliance.org](mailto:lmullany@heartlandalliance.org) / 312-870-4939