Wage Payment & Collection (WPCA) Acceptable Methods for Meeting Payroll

West Virginia Division of Labor
Wage & Hour Section
WPCA Fact Sheet 4 – §21-5-3 and §21-5-4
(July 2016)

ACCEPTABLE METHODS FOR MEETING PAYROLL

Every person, firm, or corporation doing business in this state, except railroad companies, shall settle with its employees at least twice every month, with no more than nineteen days in between settlements, and pay them the wages due for their work or services. §21-5-3(a)

Payment required of this section shall be made:

- 1. In lawful money of the United States. §21-5-3(b)(1)
- 2. By cash order. §21-5-3(b)(2)
- 3. By deposit or electronic transfer of immediately available funds into an employee's payroll card account in a federally insured depository institution that is directly or indirectly established through an employer and to which electronic fund transfers of the employee's wages, salary, commissions or other compensation are made on a recurring basis, whether the account is operated or managed by the employer, a third-party payroll processor, a depository institution or another person. §21-5-3(b)(3)
- 4. By any method of depositing immediately available funds in an employee's demand or time account in a bank, credit union or savings and loan institution. §21-5-3(b)(4)

§21-5-4(a) - In lieu of lawful money of the United States, any person, firm, or corporation may compensate employees for services by cash order which may include checks, direct deposits, or money orders drawn on banks convenient to the place of employment where suitable arrangements have been made for the cashing of checks or the deposit of funds for employees for the full amount of wages.

Additional Requirements & Definitions

Payroll Card Accounts

A payroll card is defined as a card, code or combination thereof or other means of access to an employee's payroll card account, by which the employee may initiate electronic fund transfers or use a payroll card to make purchases or payments. §21-5-3(b)(3)

Written Agreement Required

Both direct deposit and debit payroll card accounts must be agreed to in writing by both the employee and the employer before being considered as an acceptable means of meeting payroll. §21-5-3(b)(3) & §21-5-3(b)(4)