Washington State House of Representatives Office of Program Research



Labor & Workplace Standards Committee

HB 1794

Brief Description: Requiring an employer to reimburse employee fees when a paycheck is dishonored by nonacceptance or nonpayment.

Sponsors: Representatives Hoff, Sells, Berry, Sutherland, Wylie, Simmons, Pollet and Young; by request of Department of Labor & Industries.

Brief Summary of Bill

• Requires employer reimbursement of fees charged to an employee due to a dishonored paycheck.

Hearing Date: 1/12/22

Staff: Lily Smith (786-7175).

Background:

Various laws, such as the Minimum Wage Act and Wage Payment Act, establish standards for the payment of wages. It is unlawful for an employer to deprive an employee of his or her wages.

If the employer fails to pay an employee wages owed, the employee may file a wage complaint with the Department of Labor and Industries (L&I). One example of a failure to pay wages owed is if a paycheck is denied for non-sufficient funds.

Summary of Bill:

An employer that pays an employee with an instrument later dishonored must reimburse the

House Bill Analysis - 1 - HB 1794

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employee for fees charged by the employee's financial institution, unless the employer can show that it was dishonored due to the financial institution's error.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is

passed.