

FLSA-631

October 27, 1983

This is in response to your letter of October 14 asking on behalf of a constituent, as to whether an employer must give its employees the option of receiving their paychecks in person or by mail when planning to use the direct bank deposit method.

We have considered your constituent's inquiry under the Fair Labor Standards Act (FLSA), the Federal law of most general application regarding wages and hours of work. The major provisions of this law are highlighted in the enclosed "Handy Reference Guide", which you may wish to send to your constituent.

As explained in Section 531.34 of 29 CFR Part 531, copy enclosed, payment of wages owed pursuant to the FLSA occurs when a proper medium of payment is used by the employer for the payment of wages. Consultation with employees as to the method of wage payment is not required by FLSA. It is the Department's position that payment of wages through bank accounts is a proper medium of payment provided the employees have the option of receiving payment by check from the employer, if they wish. If, however, the employees are not given such an option, the employer should make arrangements for employees to cash the checks that are drawn against the payroll deposit at a place convenient to their place of employment, without charge to them.

We trust the above is responsive to your inquiry.

Sincerely,

William M. Otter
Administrator

Enclosures