

1 AN ACT

2 RELATING TO WAGES; PROVIDING FOR AUTOMATIC DIRECT DEPOSIT OF  
3 STATE EMPLOYEE SALARIES AND WAGES INTO EMPLOYEE ACCOUNTS AT  
4 FINANCIAL INSTITUTIONS; REQUIRING THE DEPARTMENT OF FINANCE  
5 AND ADMINISTRATION TO PROMULGATE RULES REGARDING AUTOMATIC  
6 DIRECT DEPOSIT.

7  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

9 Section 1. Section 10-7-2 NMSA 1978 (being Laws 1933,  
10 Chapter 157, Section 1, as amended) is amended to read:

11 "10-7-2. SALARIES AND WAGES--RULES--DIRECT DEPOSIT.--

12 A. Persons employed by and on behalf of the state,  
13 except those employed by institutions of higher education,  
14 including all officers, shall receive their salaries or wages  
15 for services rendered in accordance with rules issued by the  
16 department of finance and administration.

17 B. The department of finance and administration  
18 may require the automatic direct deposit of a state  
19 employee's salary or wages into the employee's account, or  
20 into an account established by the department on behalf of  
21 the employee, in a financial institution authorized by the  
22 United States or one of the several states to receive  
23 deposits in the United States. The department of finance and  
24 administration shall adopt rules governing the automatic  
25 direct deposit of salary or wages. Those rules shall provide

1 the circumstances under which a state employee may, with the  
2 approval of the department of finance and administration,  
3 withdraw from or elect not to participate in automatic direct  
4 deposit."

5 Section 2. Section 50-4-2 NMSA 1978 (being Laws 1937,  
6 Chapter 109, Section 2, as amended) is amended to read:

7 "50-4-2. SEMIMONTHLY AND MONTHLY PAY DAYS.--

8 A. An employer in this state shall designate  
9 regular pay days, not more than sixteen days apart, as days  
10 fixed for the payment of wages to all employees paid in this  
11 state. The employer shall pay for services rendered from the  
12 first to the fifteenth days, inclusive, of any calendar month  
13 by the twenty-fifth day of the month during which services  
14 are rendered, and for all services rendered from the  
15 sixteenth to the last day of the month, inclusive, of any  
16 calendar month by the tenth day of the succeeding month.  
17 Where computation of earnings and of amounts due, preparation  
18 of payrolls and issuance of paychecks are at a central  
19 location outside New Mexico, the employer shall pay for  
20 services rendered from the first to the fifteenth days,  
21 inclusive, of any calendar month by the last of the month  
22 during which services are rendered, and for all services  
23 rendered from the sixteenth to the last day of the month,  
24 inclusive, of any calendar month by the fifteenth day of the  
25 succeeding month.

1           B. Except as provided by rules of the department  
2 of finance and administration for payment of salaries and  
3 wages to state employees, other than employees of  
4 institutions of higher education, promulgated pursuant to  
5 Section 10-7-2 NMSA 1978, an employer shall pay wages in  
6 full, less lawful deductions and less payroll deductions  
7 authorized by the employer and employee. Wages shall be paid  
8 in lawful money of the United States or in checks, payroll  
9 vouchers or drafts on banks, convertible into cash on demand  
10 at full face value or, with the voluntary authorization of  
11 the employer, employee and financial institution, by deposit  
12 to the account of the employee in any bank, savings and loan  
13 association, credit union or other financial institution  
14 authorized by the United States or one of the several states  
15 to receive deposits in the United States, without any  
16 reduction or deduction, except as may be specifically stated  
17 in a written contract of hiring entered into at the time of  
18 hiring. An employer shall provide an employee with a written  
19 receipt that identifies the employer and sets forth the  
20 employee's gross pay, the number of hours worked by the  
21 employee, the total wages and benefits earned by the employee  
22 and an itemized listing of all deductions withheld from the  
23 employee's gross pay. Nothing contained in Sections 50-4-1  
24 through 50-4-12 NMSA 1978 shall in any way limit or prohibit  
25 the payment of wages or compensation at more frequent

