

Approved March 16, 1988
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

The meeting was called to order by Representative Clifford V. Campbell at
Chairperson

9:07 a.m. ~~pm~~ on March 2, 1988 in room 423-S of the Capitol.

All members were present except: Representative Apt who was excused.

Committee staff present: Raney Gilliland, Legislative Research Department
Norman Furse, Revisor of Statutes Office
Marjorie Brownlee, Committee Secretary

Conferees appearing before the committee: ON HB 2829
Dick Dilsaver, Communications Counselor,
Corporation Communications, The Coleman
Company, Inc., Wichita, Kansas -
PROPONENT
Wayne Michael, Kansas AFL-CIO - OPPONENT
ON HB 3017
Stan Lind, Kansas Association of Financial
Services - PROPONENT

Hearings on HB 2829 were declared open by Chairman Campbell.

Dick Dilsaver, Communications Counselor, Corporate Communications, The Coleman Company, Inc., of Wichita, Kansas, was the first conferee. He spoke in favor of the legislation. (ATTACHMENT I)

Representative Campbell informed the Committee that Rob Hodges, Kansas Chamber of Commerce and Industry, wished to go on record in support of this bill. He was unable to participate in the hearings today.

Wayne Michael from the Kansas AFL-CIO spoke briefly against the bill.

Representative Campbell invited any other comments from those in attendance for the hearings. There being none, he pronounced the hearings closed on HB 2829.

The hearings on HB 3017 were thereafter opened by the Chairman.

To speak in behalf of the bill was Stan Lind, representing the Kansas Association of Financial Services. He reiterated the fact that the purpose of this bill is to authorize a bad check surcharge for payment of preexisting indebtednesses. The bill is based on the mere action of giving an insufficient check and is an attempt to recoup the charge which an individual would incur by running through that insufficient check. This would have a civil charge only.

There were no other conferees with relation to this bill. The Chairman declared hearings closed after discussion.

Representative Roenbaugh moved that HB 3017 be passed out of Committee favorably. The motion was seconded by Representative Eckert. The motion was carried by the Committee.

There being no further business, Chairman Campbell adjourned the meeting at 9:27 a.m.

The next meeting of the House Agriculture and Small Business Committee will be at 9:00 a.m. on March 3, 1988, in room 423-S.



The

COLEMAN COMPANY, INC.

General Offices

P.O. BOX 1762
WICHITA, KANSAS 67201
AREA CODE 316 261-3211

DICK DILSAVER
COMMUNICATIONS COUNSELOR
CORPORATE COMMUNICATIONS
(316) 261-3483

March 2, 1988

Re: House Bill No. 2829

Chairman Campbell and members of the House Agriculture and Small Business Committee. I am Dick Dilsaver of The Coleman Company, and I support House Bill No. 2829, which would amend K.S.A. 44-319.

That statute places very stringent limits on when an employer may withhold funds from wages otherwise due an employee. I assume those limitations were adopted by the Legislature for good reason. For the most part, they protect employees without undue prejudice to employers. However, there is an exception, and that is addressed by House Bill No. 2829.

Many employers, including The Coleman Company, sometimes accept checks from employees for such purposes as payment of items purchased by employees from the company, payment for continuation of insurance during leave or layoff, refund of travel advances, and as an accommodation to employees who merely need to cash a check. Occasionally, these checks are dishonored. This is especially likely to happen when the employee is terminating employment and intends to leave the area.

Under current law, the employer does not have the legal right to deduct the amount of "bad" checks from wages owed to the employee. This means in some instances that the employer will never be able to recover the amount of the dishonored check.

House Bill No. 2829 would change this. It would allow an employer who receives a bad check from an employee to deduct the amount of the check from the employee's pay, along with the statutory fee allowed in this situation.

There is nothing about this change that should be at all objectionable to the Legislature or to the citizens of Kansas. It does not expose employees to unreasonable or unfair wage deductions. The only time the change comes into play is when an employee has given a bad check.

The Legislature has consistently said that giving a bad check is a crime. K.S.A. 44-319, as it now exists, protects an employee from one of the consequences of that criminal act. House Bill No. 2829 would change that. It therefore should be favorably recommended by this Committee and then passed by the Legislature.

Thank you for your consideration and support of this measure.