

Corrected
SESSION OF 2005

SUPPLEMENTAL NOTE ON SENATE BILL NO. 122

As Amended by Senate Committee on
Commerce

Brief*

SB 122 would amend the payment of compensation definition statute to allow the employer, at no cost to the employee, to choose the method of paying wages to employees and would allow use of direct deposit without the employee's consent in an institution of the employee's choice. In addition, payroll debit cards may be designated as the method of payment once an agreement between the employer and employee has been reached.

Background

Proponents of the bill included representatives of Via Christi Health System and the League of Kansas Municipalities. Opponents of the bill included representatives of the Kansas National Education Association and the Kansas Department of Labor.

The Senate Committee amended the bill by adding that the payment method must be at no cost to the employee and requiring the use of a debit card would only occur with an agreement between the employer and employee.

The fiscal note indicates that the Kansas Department of Labor would experience an increase in the number of inquiries and complaints from employers and from employees whose employers chose one of the new payment methods listed in the bill. The agency indicates it would need an additional half-time clerical FTE position at a cost of \$12,000 for approximately two years to handle the increase in inquiries and complaints. The additional position also would increase the agency's operating expenditures by an additional \$1,000. The \$13,000

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

would be in addition to the Governor's budget recommendations for the agency.