

Opponent Testimony on House Bill 2608

Senate Judiciary Committee

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Thank you for the opportunity to provide opponent testimony on House Bill 2608.

HB 2608 makes a very small change that has very large consequences to the power of collection agencies to devastate the finances of low wage workers. Specifically, the change to 60-2310(a) removes from the definition of wages the phrase "paid or". This change would fundamentally alter the ability of collection agencies from a practice now barred by the Kansas Supreme Court's interpretation of current law.

This change has been included in a larger bill about collecting restitution. But, it has nothing to do with restitution specifically.

Succinctly, Kansas law protects 75% of a person's wages from garnishment. But to get around that restriction a creditor merely takes the 25% from garnishment and then waits a day. This allows the employer's direct deposit requirement to put that money in a bank account. The creditor then attaches the full amount of the bank account, taking 100% of the person's pay. Kansas law for 50 years has been designed to protect people from losing 100% of their pay to legal collection process. The Supreme Court clarified this in *Stormont-Vail Healthcare, Inc. v Sievers*.

Proponent testimony on this in the House suggested that the need for change was related to the lack of any parameters on this wage protection. That is not true. The burden remains on the wage earner to show that the money in their bank is only from wages. A court has to look at each claim of exemption and can set appropriate limits on the claims of defendants. Removal of this protection from low wage workers is not necessary and would be harmful to many Kansans.

The amendment proposed to KSA 60-2310 (a) Definitions should be removed from this bill.

No other proponents of this bill mentioned any support for this change.

*Kansas Legal Services (KLS), a statewide non-profit corporation, is devoted to helping low income Kansans meet their basic needs through the provision of important legal and mediation services. KLS is legal aid in Kansas, providing equal access to justice for the most vulnerable Kansans. KLS served more than 18,500 persons in all 105 counties last year through eleven legal services offices and two mediation offices across the state.*