

Testimony for the Kansas Senate Commerce Committee

In Support of House Bill 2316
An Act Concerning Payment of Compensation, Relating to Payment Methods

March 15, 2007
Topeka, Kansas

By Bill Goodlatte, Senior Vice President, Human Resources, The LDF Companies
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Dear Members of the Committee:

My name is Bill Goodlatte. I would like to thank you for the opportunity to submit the following testimony as you consider House Bill 2316, a bill that would allow Kansas employers with the flexibility they need to more efficiently manage payroll processes and payment methods. As a human resources professional, a small business manager, a Board Member of the Kansas Restaurant & Hospitality Association (KRHA), the Urban League of Kansas (ULK) and a Member of the Society for Human Resource Management (SHRM) I respectfully urge the legislature to consider the proposed amendments to K.S.A. 44-314 as drafted in House Bill 2316.

Employers benefit from electronic payroll processing through cost savings and by providing a popular benefit to their employees. Lost, stolen, forged, altered and/or counterfeit checks are eliminated, resulting in immediate savings. Direct deposit and payroll cards also significantly improve payment delivery services. There is an electronic audit trail to ensure that payments can always be located. Payments can be traced through the banking system and beneficiaries have a permanent record of their payment through their financial records.

There are many financial advantages of electronic payroll processing for employees as well. Employees benefit by receiving their pay on time, every time, even when they are away from work or home. Employees also have faster access to their money as benefits are credited to bank accounts or payroll cards at the opening of business on the scheduled payment date. Employees can use an automated teller machine (ATM) to obtain cash immediately or write checks to pay bills. Electronic payroll avoids expensive check cashing fees, fees for money orders and similar charges for employees. When we introduced direct deposit and payroll cards at The LDF Companies, both were extremely well received by our employees. Electronic payroll is truly a win/win opportunity for employees and employers alike!

I have also visited with many human resources professionals and business owners throughout the state regarding their interest in having the proposed amendments adopted. As a Board Member of KRHA, ULK and a Member of SHRM, I know many of my colleagues around the state support HB 2316 and am confident they will be contacting their respective legislators to express their support, share their stories as they relate to this bill, and respectfully request a "yes" vote.

This completes my prepared statement. I will be pleased to answer any questions the Committee might have. Thank you for your time and consideration. If I can be of further assistance please contact me at the numbers listed above.

Respectfully,

Bill Goodlatte