



May 20, 2016

The Honorable Governor Dannel P. Malloy
Office of the Governor
State Capitol
210 Capitol Avenue
Hartford, CT 06106

Re: Senate Bill 211 (Public Act 16-125)

Dear Governor Malloy,

We are writing today to respectfully urge you to sign into law Senate Bill 211 (S.B. 211), which would give Connecticut workers the option to receive their wages via payroll cards. This bipartisan legislation is the product of several years of diligent work by the Committee on Labor and Public Employees, and is supported by a diverse group of Connecticut-based and national stakeholders comprising consumer advocacy organizations, financial institutions, organized labor, and employers.

Currently, in the absence of express legislative authority, the Department of Labor does not recognize payroll cards to be a permissible form of wage payment under the state's wage and hour laws. Nearly every state has either enacted legislation to recognize payroll cards as a lawful form of wage payment, issued agency guidance or opinions to permit the use of payroll cards, or otherwise indicated their acceptance of this payment method. These states recognize that payroll cards provide significant benefits to both employees and employers who want and elect this method of wage payment. For employers, greater efficiencies and cost savings associated with electronic payments can be realized. For employees, particularly the 20% of Connecticut households that are unbanked or underbanked¹, having the ability to obtain their wages electronically without charge is faster, safer, and more convenient than paper payroll checks. Payroll cards can reduce or eliminate the costs they regularly incur for cashing payroll checks, purchasing money orders to pay their bills, and traveling to pick up payroll checks.

¹ Federal Deposit Insurance Corporation, *2013 FDIC National Survey of Unbanked and Underbanked Households*, 2014.

S.B. 211 will not only modernize Connecticut's wage payment laws, but will also establish strong employee protections. One notable element of the bill is that it underscores the importance of offering employees a choice of payment methods. S.B. 211 requires that employers offer their employees other payment options and allows employees to change their payment selection upon reasonable notice.

We recognize the importance you place on supporting policies that balance the interests of employers and employees alike. We believe the tireless work done by the Committee on Labor and Public Employees and the broad group of stakeholders capture that approach to policy making, and we thank you for considering our request. If you have any questions, please do not hesitate to contact us.

Sincerely,



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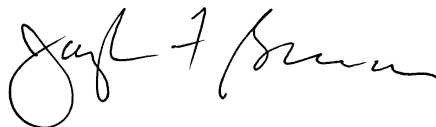
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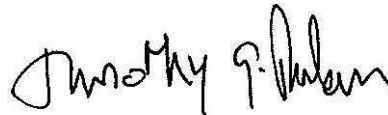
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