



# PAYSTATE UPDATE

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## **APA Offers Input on Paycard Bills in Connecticut and New Hampshire**

Recently, APA representatives expressed support for paycard bills in *Connecticut* and *New Hampshire*. On February 28, Cathy Beyda, Esq., Chair of the Paycard Subcommittee of the APA's Government Affairs Task Force, testified in favor of Connecticut Senate Bill 155, which would allow employers in the state to pay employees via paycards. On February 13, Beyda and Bill Dunn, CPP, APA's Senior Manager of Government Relations, submitted written testimony suggesting minor revisions to New Hampshire Senate Bill 341 to allow it to accomplish its goal of allowing employers to implement purely paperless wage payment programs.

### **APA urges approval of Connecticut bill**

Currently, Connecticut does not permit employers to make wage payments using payroll cards. If enacted, S.B. 155 would allow employers to pay employees using payroll cards effective October 1, 2012. Under the proposed legislation, employees would be entitled to at least one free withdrawal or transfer each pay period, though employers and/or payroll card companies would be prohibited from charging employees certain fees associated with the card. Testifying before the Connecticut Joint Committee on Labor and Public Employees, Beyda sees the bill as a compromise, and one that would greatly modernize the wage payment laws in the state.

### **APA supports New Hampshire bill with changes**

In written testimony submitted to the New Hampshire Senate Committee on Commerce, APA stated its support for S.B. 341. If enacted, it would amend the state's wage payment law by removing the requirement that employers that offer direct deposit or paycards must also provide employees with the option of receiving a paper paycheck. The APA recommended that current law also be amended to remove the requirement that an employee's written authorization is required for payment by direct deposit and paycards. Otherwise, an employee who does not consent must still be paid by paper check or cash. The APA also recommended revising a requirement that employers that provide paper checks make arrangements with a *financial institution* for cashing the checks for the full amount of wages due. Rather, employers should be allowed to use other business establishments (e.g., post office, retail store).

On February 21, APA responded to questions raised at the Senate Commerce Committee hearing by ensuring legislators that employees would continue to receive pay statements as required by state law. Employees would retain the ability to choose the method of wage payment from those offered by their employer. Also, it was reiterated that paycards would continue to be subject to current consumer protections already in place under state and federal law.