

As Amended by Senate Committee

Session of 2006

SENATE BILL No. 518

By Committee on Commerce

2-7

10 AN ACT concerning payment of compensation; relating to payment
11 methods; electronic transfer; electronic deposit; payroll card; amend-
12 ing K.S.A. 44-314 and repealing the existing section.
13

14 *Be it enacted by the Legislature of the State of Kansas:*

15 ***New Section 1. Between July 1, 2006, and June 30, 2007, the***
16 ***employer shall convene four quarterly employee forums to provide***
17 ***information to employees regarding plans to implement a payment***
18 ***system pursuant to K.S.A. 44-314, as it will be effective on and after***
19 ***July 1, 2007. The provisions of this section shall expire on June 30,***
20 ***2007.***

21 Section ~~±~~ 2. ***On and after July 1, 2007,*** K.S.A. 44-314 is hereby
22 amended to read as follows: 44-314. (a) Every employer shall pay all wages
23 due to the employees of the employer at least once during each calendar
24 month, on regular paydays designated in advance by the employer, ~~in~~
25 ~~lawful money of the United States or with checks or drafts which are~~
26 ~~negotiable in the community wherein the place of employment is located~~
27 ~~or, with the written consent of the employee, by electronic deposit to an~~
28 ~~employee's account at a financial institution.~~

29 (b) *The employer may designate the method by which employees re-*
30 *ceive wages, provided all wages shall be paid by one or more of the fol-*
31 *lowing methods at no cost to employees:*

32 (1) *In lawful money of the United States;*

33 (2) *by check or draft which is negotiable in the community wherein*
34 *the place of employment is located;*

35 (3) *by electronic transfer or deposit to an automated clearing house*
36 *member financial institution account designated by the employee; ~~or~~*

37 ~~*(4) by payroll card at the election of the employee when offered by*~~
38 ~~*the employer.*~~ ***If such method is used exclusively, the employer must***
39 ***offer a payroll card, if requested by the employee. At least one with-***
40 ***drawal per pay period shall be allowed at no cost to employees who***
41 ***use payroll cards. For purposes of this section, "payroll card" means a***
42 ***card, issued by the employer, a bank or other entity on behalf of an***
43 ***employer, on which the net wages of an employee have been loaded or***

1 *deposited by the employer and which are available to an employee each*
2 *payday. Funds available to an employee by payroll card may be with-*
3 *drawn by the employee at authorized automated teller machines, pre-*
4 *sent to card accepting merchants at points of sale or at other authorized*
5 *locations as may be included in the payroll card program offered by the*
6 *employer.*

7 ~~*(c) Except as provided in subsection (b)(4) of this section, an employee*~~
8 ~~*may not refuse payment of wages by a method designated by the employer*~~
9 ~~*and permitted under subsection (b) of this section.*~~

10 ~~*(b) (d) (c)*~~ The end of the pay period for which payment is made on
11 a regular payday shall be not more than 15 days before such regular
12 payday unless a variance in such requirement is authorized by state or
13 federal law.

14 Sec. ~~2~~ **3.** *On and after July 1, 2007*, K.S.A. 44-314 is hereby
15 repealed.

16 Sec. ~~3~~ **4.** This act shall take effect and be in force from and after its
17 publication in the statute book.