



CONNECTICUT BUSINESS & INDUSTRY ASSOCIATION

**Testimony of Kia F. Murrell  
Assistant Counsel, CBIA  
Before the Committee on Labor and Public Employees  
Hartford, CT  
February 28, 2012**

**S.B. 155 AAC Allowing Employers to Pay Wages Using Payroll Cards**

Good Afternoon Senator Prague, Representative Zalaski and other members of the Committee. My name is Kia Murrell and I am Associate Counsel at the Connecticut Business and Industry Association (CBIA). CBIA representing more than 10,000 companies throughout the state of Connecticut, but most of our members are small businesses of 50 or fewer employees.

This bill allows employers to require that employees hired after October 1, 2012 be paid their wages, salary, or other compensation via direct deposit or a payroll card. It also allows employers to provide employees with an electronic record of their hours worked, gross earnings, deductions, and net earnings. Current law requires employers to pay their employees in cash or by negotiable check and allows them to pay via direct deposit if the employee requests it.

In today's modern society, electronic transactions and payments are commonplace and exist in almost every aspect of our lives. Paychecks, tax returns, unemployment benefit checks and scores of other private and government payments are made electronically. Many employers use direct deposit and other automated methods of making employee compensation in order to avoid costs associated with paper checks. Insofar as Connecticut law already provides for direct deposit as a means of making employee compensation payments, it is only logical that payroll cards be expressly authorized under the law as well.

For the foregoing reasons, we support S.B. 155 and encourage the Committee to adopt it.