

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	9 - 0 - 0
<b>Yeas:</b>	Doherty, Johnson, Keny-Guyer, Lively, Richardson, Smith, Thatcher, Vega Pederson, Holvey
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Bob Estabrook, Administrator
<b>Meeting Dates:</b>	2/12, 4/4, 4/9, 4/11

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**WHAT THE MEASURE DOES:** Requires state payroll to be issued through direct electronic deposit. Requires Department of Administrative Services to issue itemized statements of deductions electronically. Requires Department to adopt procedure allowing employee to request and receive paper statements or payment by check. Becomes operative January 1, 2014. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Maximizing efficiencies and cost savings in payroll delivery system
- Concern over utilizing email delivery
- Feasibility of implementation in state government as well as in private sector

**EFFECT OF COMMITTEE AMENDMENT:** Requires Department of Administrative Services to issue itemized statements of deductions electronically. Requires Department to adopt procedure allowing employee to request and receive paper statements or payment by check. Becomes operative January 1, 2014. Declares emergency, effective on passage.

**BACKGROUND:** Approximately 37,000 state employees and officers currently receive printed monthly statements of deductions even though almost 89 percent of them have established electronic direct deposit for their paychecks. The remainder receives a paper check or a debit-style payroll card. Individual agencies print the deduction statements for distribution which, in some cases, are hand-delivered by administrative staff or supervisors.

House Bill 2207 A requires electronic deposit of wages for state employees and officers, except in cases where the Department of Administrative Services has determined it is not practicable or efficient or an individual has requested to receive payment by check or bank-issued payroll card. The measure also requires electronic delivery of itemized deduction statements, except in cases where an individual has requested to receive paper statements.