



**Overland
Park
Chamber™**

To: Representative Sean Tarwater and member of the House Commerce, Labor and Economic Development Committee

**From: Kevin Walker, Senior Vice President of Public Policy
Overland Park Chamber of Commerce**

Date: 15 February 2022

Chairman Tarwater and members of the committee. Thank you for the opportunity to appear before you to discuss HB 2680, the Kansas Employee Emergency Savings Account Program. We support the concept of what is proposed in this legislation but are offering neutral testimony today because we believe the cost and details of implementation are unclear at this point.

As we understand it, the intent of the bill is to provide employers with a tax credit when they establish an employee financial savings program and an additional tax benefit for participating employees. We like the idea that this proposal is voluntary for both the employer and their employees and urge the committee to keep the voluntary nature of the program intact. This allows employers the flexibility to determine whether the addition of this type of employee benefit makes sense for their employee recruitment and retention efforts.

Our biggest question centers of the cost of implementing the online tool that is required by the legislation. We know that the intent is to have an interactive platform that encourages positive behavior. Without knowing more about the costs for such tools, a requirement that an online tool be used could be cost prohibitive – especially for small employers.

We are also unclear what kind of time commitment might be required by employers to maintain the appropriate records and fulfill the reporting requirements currently in the

bill. Employers already spend a significant amount of time on personnel tasks including payroll, administration of benefits, and record keeping required for each employee. It is important that this not create an additional burden that detracts from the goal of the legislation.

As I stated before, we understand and appreciate the concept. Employees who are not distracted with financial worries are better able to focus on their assigned tasks. Supporting employees with tools that improve financial literacy and encourage sound financial habits will no doubt provide dividends for employees and employers.

We ask that as you consider this legislation you keep in mind that costs to implement such a program – from both a fiscal and time commitment perspective – are considered. By calling on existing resources through entities like our state treasurer or innovative ideas that help control costs we believe the concept laid out in HB 2680 can be a valuable tool that benefits Kansans.