

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SENATE BILL 1498

By: Brown

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6 AS INTRODUCED

7 An Act relating to payroll deductions; creating the
8 Oklahoma Paycheck Protection Act; providing short
9 title; amending 62 O.S. 2011, Section 34.70, which
10 relates to voluntary payroll deductions; limiting
11 voluntary payroll deductions for certain purposes;
12 deleting payroll deductions for the Oklahoma Public
13 Employees Association; deleting payroll deduction and
14 membership requirement for certain statewide public
15 employee organizations; authorizing payroll
16 deductions for Oklahoma United Way; modifying
17 references; amending 70 O.S. 2011, Section 5-139,
18 which relates to school districts; prohibiting
19 certain payroll deductions; modifying language;
20 excepting certain collective bargaining agreements
21 for certain period of time; criminalizing certain
22 payroll deductions by state agencies; defining terms;
23 providing for codification; providing for
24 noncodification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Oklahoma
Paycheck Protection Act".

1 SECTION 2. AMENDATORY 62 O.S. 2011, Section 34.70, is
2 amended to read as follows:

3 Section 34.70. A. 1. Upon the request of a state employee, a
4 state agency shall make voluntary payroll deductions for the
5 employee to any credit union, bank, or savings association having an
6 office in this state.

7 2. If the governing body of any county, municipality, or school
8 district provides for voluntary payroll deductions to a credit union
9 serving the employees of the county, municipality, or school
10 district, it shall provide voluntary payroll deductions to any
11 credit union, bank, or savings association having an office in this
12 state which has a minimum participation of twenty percent (20%) of
13 the employees of the county, municipality, or school district.

14 B. Upon the request of a state employee and pursuant to
15 procedures established by the Administrator of the Office of
16 Personnel Management, a state agency shall make payroll deductions
17 for the following purposes, provided that the primary or core
18 function of the organization is nonpolitical and nonpartisan:

19 1. The payment of any insurance premiums due a private
20 insurance organization with a minimum participation of five hundred
21 (500) state employees for life, accident, and health insurance which
22 is supplemental to that provided for by the state;

23 2. The payment of any insurance premiums due a private
24 insurance organization or service company which is regulated by the

1 State Insurance Commissioner and with a minimum participation of
2 five hundred (500) state employees for legal services;

3 3. Premiums or payments for retirement plans with a minimum
4 participation of five hundred (500) state employees for retirement
5 plans which are supplemental to that provided for by the state;

6 4. Salary adjustment agreements included in a flexible benefits
7 plan as authorized by the State Employees Flexible Benefits Act;

8 5. ~~Membership dues utilized for benefits, goods or services~~
9 ~~provided by the Oklahoma Public Employees Association to the~~
10 ~~organization's membership or any other statewide association limited~~
11 ~~to state employee membership with a minimum membership of two~~
12 ~~thousand (2,000) dues paying members. For purposes of this~~
13 ~~paragraph, state agencies shall accept online or electronically~~
14 ~~submitted forms from the Oklahoma Public Employees Association and~~
15 ~~other state employee associations. The Office of Personnel~~
16 ~~Management shall develop and implement a verification process for~~
17 ~~online or electronically submitted forms which may include the use~~
18 ~~of electronic signature technology or other process as determined~~
19 ~~appropriate;~~

20 6. ~~Contributions to any foundation organized pursuant to 26~~
21 ~~U.S.C., Section 501(c)(3) of the Oklahoma Public Employees~~
22 ~~Association or any other statewide association limited to state~~
23 ~~employee membership with a minimum membership of two thousand~~
24 ~~(2,000) dues paying members;~~

1 ~~7.~~ Payments to a college savings account administered under the
2 Oklahoma College Savings Plan Act ~~pursuant to Section 3970.1 et seq.~~
3 ~~of Title 70 of the Oklahoma Statutes;~~

4 ~~8.~~ 6. Subscriptions to the Oklahoma Today magazine published by
5 the State of Oklahoma through the Oklahoma Tourism and Recreation
6 Department; ~~and~~

7 ~~9.~~ 7. The payment of any insurance premiums due a private
8 insurance organization, which is regulated by the State Insurance
9 Commission, for an Oklahoma Long-Term Care Partnership Program
10 approved policy pursuant to the Oklahoma Long-Term Care Partnership
11 Act; and

12 8. Donations to Oklahoma United Way or any local chapter or
13 division thereof.

14 C. The administrative costs of processing payroll deductions or
15 administering salary adjustment agreements for insurance premiums as
16 provided for in subsection B of this section shall be a charge of
17 two percent (2%) of the gross annual premiums for insurance plans.
18 The administrative costs of processing payroll deductions or
19 administering salary adjustment agreements for payments for
20 retirement plans as provided for in subsection B of this section
21 shall be one percent (1%) of the gross annual payments for
22 retirement plans. These charges shall be collected monthly from the
23 private insurance or retirement plan organization by the Office of
24 Personnel Management and shall be deposited to the credit of the

1 General Revenue Fund. Provided ~~that~~ however, these costs shall not
2 be collected from state employees or state agencies unless otherwise
3 directed in the Oklahoma State Finance Act.

4 ~~D. Any statewide association granted a payroll deduction prior~~
5 ~~to January 1, 2008, shall be exempt from the minimum state employee~~
6 ~~membership requirement.~~

7 ~~E.~~ Approval of a payroll deduction or salary adjustment
8 agreement for any insurance organization, line of coverage or policy
9 shall not be construed as an assumption of liability, for the term
10 of policy or the performance of the insurance organization, by this
11 state, or any of its agencies or any officer or employee thereof.
12 Contracts for such insurance shall be in all respects subject to the
13 insurance laws of this state, and shall be enforceable solely
14 pursuant to such laws.

15 ~~F.~~ E. The Oklahoma Employment Security Commission is authorized
16 to deduct from the wages or salary of its employees the employees'
17 contribution to the Oklahoma Employment Security Commission
18 Retirement Plan.

19 ~~G.~~ F. Payroll deductions shall be made for premium payments for
20 group insurance for retired members or beneficiaries of any state-
21 supported retirement system upon proper authorization given by the
22 member or beneficiary to the board from which the member or
23 beneficiary is currently receiving retirement benefits.

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1 ~~H.~~ G. Upon request of instructional personnel employed at
2 either the Oklahoma School for the Blind or the Oklahoma School for
3 the Deaf and pursuant to procedures established by the Administrator
4 of the Office of Personnel Management, the Commission for
5 Rehabilitation Services shall make payroll deductions for membership
6 dues in any statewide educational employee organization or
7 association.

8 ~~I.~~ H. Upon the request of a state employee of the Department of
9 Corrections, the Department shall make voluntary payroll deductions
10 for the employee to the Correctional Peace Officer Foundation.

11 SECTION 3. AMENDATORY 70 O.S. 2011, Section 5-139, is
12 amended to read as follows:

13 Section 5-139. A. School districts shall ~~make~~ be prohibited
14 from making payroll deductions for either or both professional
15 organization dues and political contributions ~~upon the request of~~
16 ~~any school employee and shall transmit deducted funds to the~~
17 ~~organization designated by the~~ on behalf of a school district
18 employee. ~~Such deductions shall be on a ten-month basis unless~~
19 ~~otherwise designated by the employee organization. However, a~~
20 ~~school employee may request in writing at any time for the school~~
21 ~~district to immediately terminate or initiate payroll deductions to~~
22 ~~a professional organization. Upon receipt of a request the school~~
23 ~~district shall within five (5) business days or by the next pay~~

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1 ~~period, whichever is earlier, terminate or initiate any future~~
2 ~~payroll deductions of the requesting school employee to a~~

3 B. Nothing in this section shall be construed to effect any
4 collective bargaining agreement in existence on the effective date
5 of this act between a union, professional organization.—~~Upon~~
6 ~~receipt of a request the~~ or other entity and a school district shall
7 ~~notify the professional organization of the initiation or~~
8 ~~termination of payroll deductions within fifteen (15) business days.~~
9 ~~If the request is to terminate a deduction, provided that upon~~
10 renewal of the agreement, the school district shall not ~~make any~~
11 ~~advance payments to any professional organization of~~ agree to an
12 automatic payroll deduction for any future membership dues ~~on behalf~~
13 ~~of the school employee~~ or political contributions.

14 SECTION 4. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 34.70-1 of Title 62, unless
16 there is created a duplication in numbering, reads as follows:

17 A. Except as provided in subsection B of Section 5-139 of Title
18 70 of the Oklahoma Statutes for collective bargaining agreements in
19 existence on the effective date of this act, it shall be unlawful
20 for any state agency to make payroll deductions on behalf of a state
21 employee for membership dues in any public employee association or
22 organization or professional organization, or for political
23 purposes.

24 B. For purposes of this section,

1 1. "State agency" means any office, officer, bureau, board,
2 counsel, court, commission, institution, unit, division, body or
3 house of the executive or judicial branches of the state government,
4 whether elected or appointed, excluding political subdivisions of
5 the state. State agency shall include public school districts, the
6 Oklahoma State Regents for Higher Education, the institutions,
7 centers, or other constituent agencies of The Oklahoma State System
8 of Higher Education, the State Board of Career and Technology
9 Education, Technology Center school districts, the State
10 Legislature, and the office of the Governor; and

11 2. "Public employee" means an elected or appointed officer or
12 employee or contract employee of a state agency as defined in this
13 section, unless otherwise indicated.

14 SECTION 5. This act shall become effective January 1, 2013.

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