

1 ENGROSSED HOUSE
2 BILL NO. 2500

By: Johns of the House

3 and

4 McCortney of the Senate
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7 An Act relating to payroll deductions; amending 62
8 O.S. 2011, Section 34.70, as amended by Section 393,
9 Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2019, Section
10 34.70), which relates to voluntary deductions;
11 removing requirements for making payroll deductions
12 for certain insurance premiums; and providing an
13 effective date.

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

15 SECTION 1. AMENDATORY 62 O.S. 2011, Section 34.70, as
16 amended by Section 393, Chapter 304, O.S.L. 2012 (62 O.S. Supp.
17 2019, Section 34.70), is amended to read as follows:

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

22 2. If the governing body of any county, municipality, or school
23 district provides for voluntary payroll deductions to a credit union
24 serving the employees of the county, municipality, or school
district, it shall provide voluntary payroll deductions to any

1 credit union, bank, or savings association having an office in this
2 state which has a minimum participation of twenty percent (20%) of
3 the employees of the county, municipality, or school district.

4 B. Upon the request of a state employee and pursuant to
5 procedures established by the Director of the Office of Management
6 and Enterprise Services, a state agency shall make payroll
7 deductions for:

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

12 2. The payment of any insurance premiums, other than the
13 premiums due pursuant to paragraph 1 of this subsection, due a
14 private insurance organization or service company ~~which is regulated~~
15 ~~by the State Insurance Commissioner and with a minimum participation~~
16 ~~of five hundred (500) state employees for legal services;~~

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

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

22 5. Membership dues utilized for benefits, goods or services
23 provided by the Oklahoma Public Employees Association to the
24 organization's membership or any other statewide association limited

1 to state employee membership with a minimum membership of two
2 thousand (2,000) dues-paying members. For purposes of this
3 paragraph, state agencies shall accept online or electronically
4 submitted forms from the Oklahoma Public Employees Association and
5 other state employee associations. The Office of Management and
6 Enterprise Services shall develop and implement a verification
7 process for online or electronically submitted forms which may
8 include the use of electronic signature technology or other process
9 as determined appropriate;

10 6. Contributions to any foundation organized pursuant to 26
11 U.S.C., Section 501(c)(3) of the Oklahoma Public Employees
12 Association or any other statewide association limited to state
13 employee membership with a minimum membership of two thousand
14 (2,000) dues-paying members;

15 7. Payments to a college savings account administered under the
16 Oklahoma College Savings Plan Act pursuant to Section 3970.1 et seq.
17 of Title 70 of the Oklahoma Statutes;

18 8. Subscriptions to the Oklahoma Today magazine published by
19 the State of Oklahoma through the Oklahoma Tourism and Recreation
20 Department; and

21 9. The payment of any insurance premiums due a private
22 insurance organization, which is regulated by the State Insurance
23 Commission, for an Oklahoma Long-Term Care Partnership Program
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1 approved policy pursuant to the Oklahoma Long-Term Care Partnership
2 Act.

3 C. The administrative costs of processing payroll deductions or
4 administering salary adjustment agreements for insurance premiums as
5 provided for in subsection B of this section shall be a charge of
6 two percent (2%) of the gross annual premiums for insurance plans.
7 The administrative costs of processing payroll deductions or
8 administering salary adjustment agreements for payments for
9 retirement plans as provided for in subsection B of this section
10 shall be one percent (1%) of the gross annual payments for
11 retirement plans. These charges shall be collected monthly from the
12 private insurance or retirement plan organization by the Office of
13 Management and Enterprise Services and shall be deposited to the
14 credit of the General Revenue Fund. Provided that these costs shall
15 not be collected from state employees or state agencies unless
16 otherwise directed in the Oklahoma State Finance Act.

17 D. Any statewide association granted a payroll deduction prior
18 to January 1, 2008, shall be exempt from the minimum state employee
19 membership requirement.

20 E. Approval of a payroll deduction or salary adjustment
21 agreement for any insurance organization, line of coverage or policy
22 shall not be construed as an assumption of liability, for the term
23 of policy or the performance of the insurance organization, by this
24 state, or any of its agencies or any officer or employee thereof.

1 Contracts for such insurance shall be in all respects subject to the
2 insurance laws of this state, and shall be enforceable solely
3 pursuant to such laws.

4 F. The Oklahoma Employment Security Commission is authorized to
5 deduct from the wages or salary of its employees the employees'
6 contribution to the Oklahoma Employment Security Commission
7 Retirement Plan.

8 G. Payroll deductions shall be made for premium payments for
9 group insurance for retired members or beneficiaries of any state-
10 supported retirement system upon proper authorization given by the
11 member or beneficiary to the board from which the member or
12 beneficiary is currently receiving retirement benefits.

13 H. Upon request of instructional personnel employed at either
14 the Oklahoma School for the Blind or the Oklahoma School for the
15 Deaf and pursuant to procedures established by the Director of the
16 Office of Management and Enterprise Services, the Commission for
17 Rehabilitation Services shall make payroll deductions for membership
18 dues in any statewide educational employee organization or
19 association.

20 I. Upon the request of a state employee of the Department of
21 Corrections, the Department shall make voluntary payroll deductions
22 for the employee to the Correctional Peace Officer Foundation.

23 SECTION 2. This act shall become effective November 1, 2020.

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1 Passed the House of Representatives the 11th day of March, 2020.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2020.

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9 Presiding Officer of the Senate