

1 **SENATE FLOOR VERSION**

2 April 6, 2021

3 ENGROSSED HOUSE  
4 BILL NO. 2180

By: Johns of the House

5 and

6 McCortney of the Senate

7  
8 An Act relating to payroll deductions; amending 62  
9 O.S. 2011, Section 34.70, as amended by Section 393,  
10 Chapter 304, O.S.L. 2012 (62 O.S. Supp. 2020, Section  
11 34.70), which relates to voluntary payroll  
deductions; removing requirement for making payroll  
deductions for certain insurance premiums; and  
providing an effective date.

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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 2020, 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

1 district, it shall provide voluntary payroll deductions to any  
2 credit union, bank, or savings association having an office in this  
3 state which has a minimum participation of twenty percent (20%) of  
4 the employees of the county, municipality, or school district.

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

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

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

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

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

23 5. Membership dues utilized for benefits, goods or services  
24 provided by the Oklahoma Public Employees Association to the

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

11 6. Contributions to any foundation organized pursuant to 26  
12 U.S.C., Section 501(c)(3) of the Oklahoma Public Employees  
13 Association or any other statewide association limited to state  
14 employee membership with a minimum membership of two thousand  
15 (2,000) dues-paying members;

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

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

22 9. The payment of any insurance premiums due a private  
23 insurance organization, which is regulated by the State Insurance  
24 Commission, for an Oklahoma Long-Term Care Partnership Program

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.

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1 SECTION 2. This act shall become effective November 1, 2021.

2 COMMITTEE REPORT BY: COMMITTEE ON FINANCE

3 April 6, 2021 - DO PASS

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