SLS 15RS-421 ORIGINAL

2015 Regular Session

SENATE BILL NO. 204

BY SENATOR MARTINY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

EMPLOYMENT. Prohibits the automatic deduction of union dues from certain paychecks. (8/1/15)

1 AN ACT

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To amend and reenact R.S. 17:438, R.S. 23:890(F) and (G), and R.S. 42:456(A)(1), to enact R.S. 42:456(C), (D), and (E), and to repeal R.S. 42:457 and 457.1, relative to authorized payroll deductions; to remove authority for certain public employee, charter school employee, firefighter, and law enforcement payroll withholdings; to grandfather certain collective bargaining agreement terms for payroll deductions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 17:438, is hereby amended and reenacted to read as follows:

10 §438. Permitted withholdings; exceptions

A. Any teacher or other employee of a parish or city school board, <u>public</u> charter school, or any organization or entity with authority over employment <u>decisions at a charter school</u> may authorize his employing school board <u>or other</u> <u>employing entity</u> to deduct and withhold from his earnings <u>a specific amount for</u> such pay periods as may be designated, for the payment of regular dues owed by such teacher or other employee to any organization of teachers or other school employees <u>only</u> for the purposes and in the manner authorized by R.S. 42:456.

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B. No deduction shall be made from the earnings of any teacher or other
employee for the purpose permitted by this Section unless fifty or more teachers or
other employees or ten percent of the total number of employees, including teachers,
whichever is less have requested such deduction be made and the deduction is
specifically and voluntarily authorized in writing by the teacher or other employee.
If such authority is provided and a request for such deduction made, the school board
shall honor the request and provide for the deduction; however, if any system
documents to the satisfaction of the State Board of Elementary and Secondary
Education that it has already acquired payroll checks that will not accommodate the
request, the school board shall provide for such deduction as soon as possible but,
in no case later than the beginning of the school year following the request. Nothing
in this Section shall be construed to affect any collective bargaining agreement
in existence on or before August 1, 2015, between a union, professional
organization, or other entity and the state or a political subdivision of the state
until the agreement's existing term expires or the agreement is terminated,
extended, or renewed.

C. Any amount withheld in accordance with the provisions of this Section shall be remitted to the organization designated on a regularly scheduled basis as determined by the employing board. Upon the expiration, termination, extension, or renewal of a collective bargaining agreement in existence on or before August 1,2015, between a union, professional organization, or other entity and the state or a political subdivision of the state, automatic deduction of union dues from payroll checks shall not be included in any subsequent agreement.

D. This Section shall not apply to a city or parish school board operating under the terms of a collective bargaining agreement applicable to teachers employed by the board. If any provision of this Section is declared invalid for any reason, that provision shall not affect the validity of the remaining portions.

Section 2. R.S. 23:890(F) and (G) are hereby amended and reenacted to read as follows:

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1 §890. Labor policy 2 F. Employees of such publicly owned and/or operated transportation systems 3 hereafter acquired may authorize and upon such authorization the aforesaid 4 5 municipality, transit authority or other authority organized for the purpose may make deductions from wages and salaries of such employees: 6 7 (1) Pursuant to a collective bargaining agreement with a duly designated or 8 certified labor organization for the payment of union dues, fees or assessments. 9 (2) For the payment of contributions pursuant to any health and welfare plan 10 or pension or retirement plan, and . 11 (3)(2) For any purposes for which deductions may be authorized by employees of any private employer except that no deductions shall be made for 12 13 dues, fees, assessments, or contributions of any kind to a labor organization or 14 union. G.(1) This Part shall be construed liberally to effectuate the purposes for 15 16 which same it is enacted and should any part hereof be declared unconstitutional or invalid for any reason it shall not affect the remaining portions. 17 (2) Nothing in this Section shall be construed to affect any collective 18 19 bargaining agreement in existence on or before August 1, 2015, between a 20 union, professional organization, or other entity and the state or a political 21 subdivision of the state until the agreement's existing term expires or the 22 agreement is terminated, extended, or renewed. (3) Upon the expiration, termination, extension, or renewal of a 23 24 collective bargaining agreement in existence on or before August 1, 2015, between a union, professional organization, or other entity and the state or a 25 political subdivision of the state, automatic deduction of union dues from 26 27 payroll checks shall not be included in any subsequent agreement.

(D), and (E) are hereby enacted to read as follows:

Section 3. R.S. 42:456(A)(1) is hereby amended and reenacted and R.S. 42:456(C),

1 §456. Permitted withholdings 2 A. Payroll deductions shall be authorized only for the following: 3 Mandated federal or state income withholdings, credit unions, garnishments, liens, union dues, savings bonds programs, qualified United Way 4 5 entities, health and life insurance products offered through the Office of Group Benefits, and products having state participating contributions, sponsored by the 6 Office of Group Benefits, which qualify and are offered under Section 125 of the 7 8 Internal Revenue Code (Cafeteria Plan), and other deductions expressly 9 authorized by state or federal statute. 10 11 C. Nothing in this Section shall be construed to affect any collective 12 bargaining agreement in existence on or before August 1, 2015, between a 13 union, professional organization, or other entity and the state or a political subdivision of the state until the agreement's existing term expires or the 14 agreement is terminated, extended, or renewed. 15 16 D. Upon the expiration, termination, extension, or renewal of a collective bargaining agreement in existence on or before August 1, 2015, between a 17 union, professional organization, or other entity and the state or a political 18 19 subdivision of the state, automatic deduction of union dues from payroll checks shall not be included in any subsequent agreement. 20 21 E. If any provision of this Section is declared invalid for any reason, that 22 provision shall not affect the validity of the remaining portions.

Section 4. R.S. 42:457 and 457.1 are hereby repealed in their entirety.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Michelle Ridge.

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SB 204 Original

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<u>Present law</u> provides that any teacher or school board employee may authorize the school board to deduct organization dues from his earnings.

<u>Proposed law</u> adds employees of any public charter school or any organization or entity with authority over employment decisions at a charter school.

<u>Present law</u> provides that no deductions can be made unless 50 such employees or 10% of the total number of employees, whichever is less, request the deduction. <u>Proposed law</u> deletes <u>present law</u>.

<u>Proposed law</u> provides that any teacher or other school employee may authorize payroll deductions are allowed by <u>proposed law</u>, which removes union dues as an authorized payroll withholding.

<u>Present law</u> provides for the labor policy when a municipality or transit authority acquires or operates a transportation facility.

<u>Present law</u> allows employees of the acquired facility to authorize deductions of wages and salaries for the following purposes:

- (1) Pursuant to a collective bargaining agreement with a duly designated or certified labor organization for the payment of union dues, fees, or assessments.
- (2) For the payment of contributions pursuant to any health and welfare plan or pension or retirement plan.
- (3) For any purposes for which deductions may be authorized by employees of any private employer.

Proposed law removes union dues as an authorized payroll withholding.

<u>Present law</u> authorizes state employee payroll withholdings for the following:

- (1) Mandated federal or state income withholdings, credit unions, garnishments, liens, union dues, savings bonds programs, qualified United Way entities, health and life insurance products offered through the Office of Group Benefits, products having state participating contributions, sponsored by the Office of Group Benefits, which qualify and are offered under Section 125 of the Internal Revenue Code (Cafeteria Plan).
- (2) Products offered without state contributory participation which have been evaluated and approved in accordance with rules and procedures promulgated by the commissioner of administration.

<u>Proposed law</u> removes union dues as an authorized payroll withholding, but allows any withholding expressly authorized by state or federal law.

<u>Present law</u> authorizes any state, parish, or city employee to withhold from his salary a specific amount for payment of his dues to any labor organization to which he belongs.

Proposed law repeals present law.

<u>Present law</u> allows any employee of the state or of any political subdivision of the state to authorize his employer to withhold from his salary for payment of his dues to any professional state or local law enforcement or firefighter association. <u>Proposed law</u> repeals present law.

Proposed law provides for severability.

<u>Proposed law</u> specifies that nothing in <u>proposed law</u> affects any collective bargaining agreement before the effective date of proposed law but provides that any subsequent

agreement after the expiration of any existing agreement may not allow union dues to be deducted from employees' payroll.

Effective August 1, 2015

(Amends R.S. 17:438, R.S. 23:890(F) and (G), and R.S. 42:456(A)(1); adds R.S. 42:456(C), (D), and (E); repeals R.S. 42:457 and 457.1)