2024 Regular Session

HOUSE BILL NO. 919

BY REPRESENTATIVE CHENEVERT

PUBLIC OFFLS/EMPS: Provides with respect to payroll deductions

1	AN ACT
2	To amend and reenact R.S. 17:438, R.S. 23:890(F), and R.S. 42:456(A)(1) and 457, relative
3	to payroll withholdings for payment of dues; to limit authorizations of such
4	withholdings and to provide for rescinding such authorizations; to require reports
5	related thereto; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 17:438 is hereby amended and reenacted to read as follows:
8	§438. Permitted withholdings; exceptions
9	A. Any teacher or other employee of a parish or city school board may
10	authorize his employing school board to deduct and withhold from his earnings a
11	specific amount for such pay periods as may be designated, for the payment of
12	regular dues owed by such teacher or other employee to any organization of teachers
13	or other school employees. Any such authorization shall expire in one year but may
14	be renewed.
15	B. No deduction shall be made from the earnings of any teacher or other
16	employee for the purpose permitted by this Section unless fifty or more teachers or
17	other employees or ten percent of the total number of employees, including teachers,
18	whichever is less have requested such deduction be made and the deduction is
19	specifically and voluntarily authorized in writing by the teacher or other employee.
20	If such authority is provided and a request for such deduction made, the school board

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	shall honor the request and provide for the deduction; however, if any system
2	documents to the satisfaction of the State Board of Elementary and Secondary
3	Education that it has already acquired payroll checks that will not accommodate the
4	request, the school board shall provide for such deduction as soon as possible but,
5	in no case later than the beginning of the school year following the request.
6	C. By the end of each calendar year, each such organization shall provide the
7	employer a detailed account of how employees' membership dues were expended.
8	<u>D.</u> Any amount withheld in accordance with the provisions of this Section
9	shall be remitted to the organization designated on a regularly scheduled basis as
10	determined by the employing board.
11	D. E. This Section shall not apply to a city or parish school board operating
12	under the terms of a collective bargaining agreement applicable to teachers employed
13	by the board. The requirements of this Section do not affect any collective
14	bargaining agreement in effect, and the terms of the collective bargaining agreement
15	shall remain valid until the expiration of the collective bargaining agreement.
16	F.(1) An employee may rescind his authorization of withholdings pursuant
17	to Subsection A of this Section at any time. The employee shall submit a written
18	request to his employer stating his desire to rescind the authorization, and the
19	employer shall notify the organization, in writing, that it is terminating the
20	withholdings as requested by the employee.
21	(2) The organization shall cease any withholding of dues from the
22	employee's wages, and the employee shall not accrue any further debt. The
23	employee's right to immediately resign and immediately end any financial obligation
24	to an organization shall not be waived.
25	Section 2. R.S. 23:890(F) is hereby amended and reenacted to read as follows:
26	§890. Labor policy
27	* * *
28	F.(1) Employees of such publicly owned $\frac{\text{and}}{\text{or}}$ operated transportation
29	systems hereafter acquired may authorize and upon such authorization the aforesaid

1	municipality, transit authority, or other authority organized for the purpose may
2	make deductions from wages and salaries of such employees:
3	(1) (a) Pursuant to a collective bargaining agreement with a duly designated
4	or certified labor organization for the payment of union dues, fees, or assessments.
5	(2) (b) For the payment of contributions pursuant to any health and welfare
6	plan or pension or retirement plan , and .
7	(3) (c) For any purposes for which deductions may be authorized by
8	employees of any private employer.
9	(2) Any authorization pursuant to Subparagraph (1)(a) of this Subsection
10	shall expire in one year but may be renewed.
11	(3) By the end of each calendar year, each such organization shall provide
12	the employer a detailed account of how employees' membership dues were
13	expended.
14	(4)(a) An employee may rescind his authorization of withholdings pursuant
15	to Subparagraph (1)(a) of this Subsection at any time. The employee shall submit
16	a written request to his employer stating his desire to rescind the authorization, and
17	the employer shall notify the organization, in writing, that it is terminating the
18	withholdings as requested by the employee.
19	(b) The organization shall cease any withholding of dues from the
20	employee's wages and the employee shall not accrue any further debt. The
21	employee's right to immediately resign and immediately end any financial obligation
22	to an organization shall not be waived.
23	* * *
24	Section 3. R.S. 42:456(A)(1) and 457 are hereby amended and reenacted to read as
25	follows:
26	§456. Permitted withholdings
27	A. Payroll deductions shall be authorized only for the following:
28	(1) Mandated federal or state income withholdings, credit unions,
29	garnishments, liens, union dues in the manner provided by R.S. 42:457, savings

1	bonds programs, qualified United Way entities, health and life insurance products
2	offered through the Office of Group Benefits, and products having state participating
3	contributions, sponsored by the Office of Group Benefits, which qualify and are
4	offered under Section 125 of the Internal Revenue Code (Cafeteria Plan).
5	* * *
6	§457. Union dues
7	A. Any state, parish, or city employee may authorize his employing
8	department, board, or agency to withhold from his salary a specific amount for such
9	pay periods as may be designated, for payment of his dues to any labor organization
10	to which he belongs and which he designates therein. In such cases, the employee
11	must voluntarily execute and furnish to the employing department, board, or agency
12	a written and specific authorization for such deductions; however, the employing
13	authority may elect whether or not to make such deductions. Any such authorization
14	shall expire in one year but may be renewed. Any amount withheld in accordance
15	with the provisions of this Section shall be remitted on a regularly scheduled basis
16	as prescribed by rules promulgated by the Division of Administration division of
17	administration and administered by the state payroll office to the organization
18	designated.
19	B.(1) An employee may rescind his authorization of withholdings pursuant
20	to Subsection A of this Section at any time. The employee shall submit a written
21	request to his employer stating his desire to rescind the authorization, and the
22	employer shall notify the organization, in writing, that it is terminating the
23	withholdings as requested by the employee.
24	(2) Upon receipt of the notification provided for in Paragraph (1) of this
25	Subsection, the employer shall cease any withholding of dues from the employee's
26	wages, and the employee shall not accrue any further debt to the organization. The
27	employee's right to immediately resign and discontinue any financial obligation to

28 <u>the labor organization or union shall not be waived.</u>

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1	(3) This Subsection shall apply prospectively to any new collective
2	bargaining agreement or contact that is entered into or any existing collective
3	bargaining agreement that is modified, extended, or otherwise affected by a new or
4	modified memorandum of understanding after August 1, 2024.
5	C. By the end of each calendar year, each such organization shall provide the
6	employer a detailed account of how employees' membership dues were expended.
7	D. The provisions of this Section do not apply to law enforcement and
8	firefighter services.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 919 Engrossed 2024 Regular Session

Chenevert

Abstract: Provides relative to payroll withholdings for the payment of dues to labor organizations.

<u>Present law</u> provides that an employee of a school board may authorize his employing school board to deduct and withhold from his earnings a specific amount for the payment of regular dues owed to any organization of school employees.

<u>Present law</u> provides that any state, parish, or city employee may authorize his employer to withhold from his salary a specific amount for payment of his dues to any labor organization. <u>Present law</u> provides that employees of certain publicly owned or operated transportation systems may authorize their employer to make deductions from wages and salaries pursuant to a collective bargaining agreement with a duly designated or certified labor organization for the payment of union dues, fees, or assessments.

Proposed law relative to all such payroll deductions, provides as follows:

- (1) Any such authorization shall expire in one year but may be renewed.
- (2) Authorizes an employee to request cessation of such withholdings. Provides that pursuant to such a request, the employee shall not accrue any further debt to the organization. Further provides that the employee's right to immediately discontinue any financial obligation to the organization shall not be waived.
- (3) Requires that organizations annually report to employers on the use of dues.

(Amends R.S. 17:438, R.S. 23:890(F), and R.S. 42:456(A)(1) and 457)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Labor and Industrial</u> <u>Relations</u> to the <u>original</u> bill:

- 1. Remove provisions of <u>proposed law</u> concerning the usage of membership dues for political activities.
- 2. Remove penalty for failing to comply with proposed law.
- 3. Make technical and title changes.