

1 **DRAFT Public Employee Paycheck Protection Act**

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3 **Summary**

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5 Though states have broad authority to allow deductions from individuals’ paychecks if those

6 individuals request or allow it, a one-time permission should not suffice to allow any kind of

7 deduction to occur for the duration of an employee’s employment, be it for charitable donations,

8 employee benefits, or union dues. This Act would require that yearly express permission be

9 given by individual employees to allow dues and other optional deductions from their paychecks

10 to occur.

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12 **Model Legislation**

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14 **Section 1. {Yearly Employee Paycheck Deductions Approval Required}**

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16 (A) For deductions after [insert appropriate date], a public employer in this state shall not deduct

17 any third party payment from an employee's paycheck unless the employee annually provides

18 express written or electronic authorization to the employer for the deduction.

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20 (B) The attorney general shall adopt rules that describe the acceptable forms of employee

21 authorization and entity statements under this section.

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23 (C) If a public employer knowingly deducts payments in violation of Subsection (A) of this

24 Section, the employer is subject to a civil penalty of at least ten thousand dollars for each

25 violation. The attorney general shall impose and collect the civil penalties under this Subsection

26 and shall deposit all civil penalties collected pursuant to this section in the state general fund.

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28 (D) This Section does not apply to any of the following:

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30 (1) Deductions for employee health care.

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32 (2) Deductions for state, local or federal taxes.

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34 (3) Any deduction otherwise required by law, including contributions or deductions to a

35 state retirement system or other standard retirement benefit contributions.

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37 (E) If an employee has authorized a deduction from the employee's paycheck under this section

38 and the employee resigns membership in the association or organization for which the deduction

39 was authorized, the employee's authorization for the deduction is rescinded upon the employer's

40 receipt from the employee of written notice of the resignation. The employer shall have one pay

41 period to process the rescission.

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43 (F) This Section does not preempt any federal law.

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45 (G) For the purposes of this Section, “public employer” means the state and any subdivision

46 thereof.

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48 **Section 2. {Severability clause}**
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50 **Section 3. {Repealer clause}**
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52 **Section 4. {Effective date}**



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