DIGEST

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HB 626 Original

2018 Regular Session

Nancy Landry

Abstract: Establishes an administrative fee for the costs associated with the withholding of certain authorized payroll deductions.

Present law (R.S. 42:456) 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> retains <u>present law</u> and adds dues to professional associations and professional organizations to the list of authorized payroll withholdings.

<u>Present law</u> (R.S. 42:457) 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. <u>Proposed law</u> clarifies that <u>present law</u> withholds union dues for professional organizations.

<u>Proposed law</u> requires that an administrative fee of up to 3% be withheld from any authorized payroll withholding for any professional organization or union dues to recover any costs associated with making the withholding.

<u>Proposed law</u> requires that if an employing authority elects to make deductions for one union, professional association, or professional organization, it shall make deductions for all competing unions, professional associations, or professional organizations, collecting the administrative fee for each.

<u>Proposed law</u> provides that any collective bargaining agreement contrary to <u>proposed law</u> is void in its entirety.

Effective July 1, 2018.

(Amends R.S. 42:456(A)(1) and 457)