

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

HOUSE BILL NO. 1970

BY: RHOADS (Karroll)

AS INTRODUCED

AN ACT RELATING TO LABOR; AMENDING 40 O.S. 1991,
SECTION 1-218, WHICH RELATES TO THE DEFINITION OF
"WAGES" UNDER THE EMPLOYMENT SECURITY ACT OF 1980;
MODIFYING SUCH DEFINITION; PROVIDING AN EFFECTIVE
DATE; AND DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 40 O.S. 1991, Section 1-218, is amended to read as follows:

Section 1-218. WAGES "Wages" means all remuneration for services from whatever source, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, and includes dismissal payments which the employer is required by law or contract to make. Gratuities customarily received by an individual in the course of his work from persons other than his employing unit shall be treated as wages received from his employing unit. The reasonable cash value of remuneration in any medium other than cash, and the reasonable amount of gratuities, shall be estimated and determined in accordance with rules prescribed by the Commission. The term wages shall not include:

(1) The amount of any payment with respect to services performed after June 30, 1951, to or on behalf of an individual in its employ under a plan or system established by an employing unit

which makes provision for individuals in its employ generally, or for a class or classes of such individuals, including any amount paid by an employing unit for insurance or annuities, or into a fund to provide for any such payment, on account of:

- (a) Retirement,
- (b) Sickness or accident disability,
- (c) Medical and hospitalization expenses in connection with sickness or accident disability, or
- (d) Death, provided the individual in its employ:
 - (i) has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium or contributions to premiums paid by his employing unit, and
 - (ii) has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his services with such employing unit, or
- (e) A bona fide thrift or savings fund, providing:
 - (i) such payment is conditioned upon a payment of a substantial sum by such individuals in its employ, and
 - (ii) that such sum paid by the employing unit cannot under the provisions of such plan be withdrawn by an individual more frequently than once in any twelve-month period, except upon an individual's separation from that employment;

(2) The payment by an employing unit, without deduction from the remuneration of the individual in its employ, of the tax imposed

upon such individual in its employ under Section 3101 of the Federal Internal Revenue Code with respect to domestic services in a private home of the employer or for agricultural labor performed after December 31, 1980;

(3) Dismissal payments which the employer is not required by law or contract to make; ~~or~~

(4) The value of any meals and lodging furnished by or on behalf of an employer to an individual in his employ; provided the meals and lodging are furnished on the business premises of the employer for the convenience of the employer; or

(5) Remuneration paid to an employee who would not receive benefits pursuant to Section 2-411 of this title due to the receipt of payments made for pensions, retirement, annuities or other such payments.

SECTION 2. This act shall become effective July 1, 1992.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

43-2-7378

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