

STATE OF OKLAHOMA

1st Session of the 49th Legislature (2003)

SENATE BILL 453

By: Morgan

AS INTRODUCED

An Act relating to state government; amending 74 O.S. 2001, Sections 292.11 and 292.12, which relate to the Oklahoma State Employees' Direct Deposit Act; defining "paymaster"; granting authority to establish rules; allowing employers to require participation; requiring identification of employee depository institution; granting five years for certain employees to identify depository institution; granting employer option to establish a paymaster; providing for selection of paymaster; requiring certain transfers of funds and information; requiring paymaster to disburse payroll funds upon proper identification; and providing an effective date.

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

SECTION 1. AMENDATORY 74 O.S. 2001, Section 292.11, is amended to read as follows:

Section 292.11 As used in the Oklahoma State Employees' Direct Deposit Act:

1. "Direct deposit system" ~~shall mean~~ means a method of electronically transferring a payroll claim for an eligible employee whereby the employee agrees to an electronic transfer of any payroll claim to a financial institution;

2. "Employee" ~~shall mean~~ means any person in the classified, unclassified or exempt service of any state agency, board or Commission. "Employee" shall include any person who is an employee of the State Regents for Higher Education or any institution under the authority of the State Regents for Higher Education. "Employee" shall not include any person who is an employee of any school district or political subdivision of this state; ~~and~~

3. "Employer" ~~shall mean~~ means any state agency, board, commission, department, institution, authority, officer, bureau, council, office, the State Regents for Higher Education or any institution under the authority of the State Regents for Higher Education, or other entity created by the Oklahoma Constitution. "Employer" shall not include any school district or political subdivision of this state; and

4. "Paymaster" means any financial institution duly licensed and permitted to operate within the state, such institution being properly designated to electronically receive, hold, and disburse upon lawful and valid identification, the net pay amount of any employee who cannot or does not direct such amount to be deposited into a personal checking, savings, or other type of account.

SECTION 2. AMENDATORY 74 O.S. 2001, Section 292.12, is amended to read as follows:

Section 292.12 A. The Administrator of the Office of Personnel Management is hereby directed to implement a direct deposit system for any eligible employee opting to have any payroll claim deposited electronically to a financial institution of the eligible employee's choice. There shall be no service charge of any type paid by the state employee at any time which shall decrease the net amount of the employee's salary deposited to the financial institution of his personal choice as a result of the implementation and administration of the Oklahoma State Employees' Direct Deposit Act.

B. The Administrator of the Office of Personnel Management shall promulgate rules, regulations and procedures as necessary for implementation and administration of the system.

C. All employers shall begin offering direct deposit to any eligible employee not later than January 1, 1992.

D. Each employer as defined in Section 292.11 of this title shall have the authority to establish rules governing the direct deposit system as it pertains to that employer. Each such employer

may require all eligible employees hired after June 30, 2003, to participate in the employer's direct deposit payroll system.

E. If the employer requires employee participation in a direct deposit payroll system, then prior to beginning work, the employee must identify a financial institution that will serve as the employee's depository institution. Employees, as defined in Section 292.11 of this title, hired before June 30, 2003, will be given a period of five (5) years to choose a financial institution that will serve as a personal depository agent for the employee. For the period of time between June 30, 2003, and June 30, 2008, each employer shall have the option of establishing a paymaster as a method of disbursing payroll to employees that are not participating in the direct deposit system. Each employer will have the authority to select a financial institution that will serve as the agency's paymaster. The paymaster will receive an electronic transfer of funds from the Office of the State Treasurer as well as a roster of payroll recipients. The paymaster will disburse payroll funds to the employee upon presentation of proper identification.

SECTION 3. This act shall become effective November 1, 2003.

49-1-712

SJ

6/12/2015 7:50:59 PM