

THE HOUSE OF REPRESENTATIVES  
Wednesday, April 8, 2009

Committee Substitute for  
ENGROSSED  
Senate Bill No. 384

COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL NO. 384 - By: GUMM  
of the Senate and TERRILL of the House.

An Act relating to state employees; amending 62 O.S. 2001, Section 7.10, as  
last amended by Section 1, Chapter 392, O.S.L. 2008 (62 O.S. Supp. 2008,  
Section 7.10), which relates to payroll deductions; permitting payroll  
deductions for premiums for Oklahoma Long-Term Care Partnership Program  
approved policies; and providing an effective date.

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

1 SECTION 1. AMENDATORY 62 O.S. 2001, Section 7.10, as last amended by  
2 Section 1, Chapter 392, O.S.L. 2008 (62 O.S. Supp. 2008, Section 7.10), is amended to  
3 read as follows:

4 Section 7.10 A. 1. Upon the request of a state employee, a state agency, board, or  
5 commission shall make voluntary payroll deductions for the employee to any credit  
6 union, bank, or savings association having an office in this state.

7 2. If the governing body of any county, municipality, or school district provides for  
8 voluntary payroll deductions to a credit union serving the employees of the county,  
9 municipality, or school district, it shall provide voluntary payroll deductions to any credit  
10 union, bank, or savings association having an office in this state which has a minimum

1 participation of twenty percent (20%) of the employees of the county, municipality, or  
2 school district.

3 B. Upon the request of a state employee and pursuant to procedures established by  
4 the Administrator of the Office of Personnel Management, a state agency, board, or  
5 commission shall make payroll deductions for:

6 1. The payment of any insurance premiums due a private insurance organization  
7 with a minimum participation of five hundred (500) state employees for life, accident,  
8 and health insurance which is supplemental to that provided for by the state;

9 2. The payment of any insurance premiums due a private insurance organization or  
10 service company which is regulated by the State Insurance Commissioner and with a  
11 minimum participation of five hundred (500) state employees for legal services;

12 3. Premiums or payments for retirement plans with a minimum participation of  
13 five hundred (500) state employees for retirement plans which are supplemental to that  
14 provided for by the state;

15 4. Salary adjustment agreements included in a flexible benefits plan as authorized  
16 by the State Employees Flexible Benefits Act;

17 5. Membership dues utilized for benefits, goods or services provided by the  
18 Oklahoma Public Employees Association to the organization's membership or any other  
19 statewide association limited to state employee membership with a minimum  
20 membership of two thousand (2,000) dues-paying members. For purposes of this  
21 paragraph, state agencies shall accept online or electronically submitted forms from the  
22 Oklahoma Public Employees Association and other state employee associations. The

1 Office of Personnel Management shall develop and implement a verification process for  
2 online or electronically submitted forms which may include the use of electronic  
3 signature technology or other process as determined appropriate;

4 6. Contributions to its foundation organized pursuant to 26 U.S.C., Section  
5 501(c)(3) in the Oklahoma Public Employees Association or any other statewide  
6 association limited to state employee membership with a minimum membership of one  
7 thousand (1,000) dues-paying members;

8 7. Payments to a college savings account administered under the Oklahoma College  
9 Savings Plan Act pursuant to Section 3970.1 et seq. of Title 70 of the Oklahoma Statutes;

10 ~~and~~

11 8. Subscriptions to the Oklahoma Today magazine published by the State of  
12 Oklahoma through the Oklahoma Tourism and Recreation Department; and

13 9. The payment of any insurance premiums due a private insurance organization,  
14 which is regulated by the State Insurance Commission, for an Oklahoma Long-Term  
15 Care Partnership Program approved policy pursuant to the Oklahoma Long-Term Care  
16 Partnership Act.

17 C. The administrative costs of processing payroll deductions or administering  
18 salary adjustment agreements for insurance premiums as provided for in subsection B of  
19 this section shall be a charge of two percent (2%) of the gross annual premiums for  
20 insurance plans. The administrative costs of processing payroll deductions or  
21 administering salary adjustment agreements for payments for retirement plans as  
22 provided for in subsection B of this section shall be one percent (1%) of the gross annual

1 payments for retirement plans. These charges shall be collected monthly from the  
2 private insurance or retirement plan organization by the Office of Personnel  
3 Management and shall be deposited to the credit of the General Revenue Fund. Provided  
4 that these costs shall not be collected from state employees or state agencies unless  
5 otherwise directed in Section 1 et seq. of this title.

6 D. Any statewide association granted a payroll deduction prior to January 1, 2008,  
7 shall be exempt from the minimum state employee membership requirement.

8 E. Approval of a payroll deduction or salary adjustment agreement for any  
9 insurance organization, line of coverage or policy shall not be construed as an assumption  
10 of liability, for the term of policy or the performance of the insurance organization, by  
11 this state, or any of its agencies, boards, commissions, institutions or any officer or  
12 employee thereof. Contracts for such insurance shall be in all respects subject to the  
13 insurance laws of this state, and shall be enforceable solely pursuant to such laws.

14 F. The Oklahoma Employment Security Commission is authorized to deduct from  
15 the wages or salary of its employees the employees' contribution to the Oklahoma  
16 Employment Security Commission Retirement Plan.

17 G. Payroll deductions shall be made for premium payments for group insurance for  
18 retired members or beneficiaries of any state-supported retirement system upon proper  
19 authorization given by the member or beneficiary to the board from which the member or  
20 beneficiary is currently receiving retirement benefits.

21 H. Upon request of instructional personnel employed at either the Oklahoma  
22 School for the Blind or the Oklahoma School for the Deaf and pursuant to procedures

1 established by the Administrator of the Office of Personnel Management, the  
2 Commission for Rehabilitation Services shall make payroll deductions for membership  
3 dues in any statewide educational employee organization or association.

4 I. Upon the request of a state employee of the Department of Corrections, the  
5 Department shall make voluntary payroll deductions for the employee to the  
6 Correctional Peace Officer Foundation.

7 SECTION 2. This act shall become effective November 1, 2009.

8 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET,  
9 dated 04-07-09 - DO PASS, As Amended.