

THE HOUSE OF REPRESENTATIVES
Monday, March 23, 2009

Committee Substitute for
ENGROSSED
Senate Bill No. 527

COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL NO. 527 - By:
BALLENGER AND GARRISON of the Senate and PROCTOR of the House.

An Act relating to labor; amending 40 O.S. 2001, Sections 165.2, as last amended by Section 2, Chapter 277, O.S.L. 2006, and 197.6 (40 O.S. Supp. 2008, Section 165.2), which relate to the semimonthly or monthly payment of wages on regular paydays; requiring an employer who pays an employee with a check that a bank refuses to honor to reimburse an employee for certain fees or costs incurred within a certain time; modifying the required size of certain notice or notices; making language gender neutral; and providing an effective date.

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

1 SECTION 1. AMENDATORY 40 O.S. 2001, Section 165.2, as last amended by
2 Section 2, Chapter 277, O.S.L. 2006 (40 O.S. Supp. 2008, Section 165.2), is amended to
3 read as follows:

4 Section 165.2 Every employer in this state shall pay all wages due the employees,
5 other than exempt employees and employees of nonprivate foundations qualified
6 pursuant to 26 U.S.C. 509(a)(1) and 26 U.S.C. 170(b)(1)(A)(vi), at least twice each
7 calendar month on regular paydays designated in advance by the employer. State,
8 county and municipal employees, exempt employees, and employees of nonprivate

1 foundations qualified pursuant to 26 U.S.C. 509(a)(1) and 26 U.S.C. 170(b)(1)(A)(vi) shall
2 be paid a minimum of once each calendar month. The amount due such employees shall
3 be paid in lawful money of the United States, including payment by electronic means,
4 and the employee shall not be deemed to have waived any right or rights mentioned in
5 this section because of any contract to the contrary. With each payment of wages earned
6 by such employee, the employer shall issue to such employee a brief itemized statement
7 of any and all deductions therefrom. An interval of not more than eleven (11) days may
8 elapse between the end of the pay period worked and the regular payday designated by
9 the employer. The employer shall be allowed three (3) days after such payday in which
10 to comply with this section.

11 No such employer shall issue, in payment of or as evidence of indebtedness due an
12 employee any check, cashier's check, draft, time check, store order, scrip, or other
13 acknowledgment of indebtedness unless the same is payable or redeemable upon demand
14 without discount and for face value in lawful money of the United States. If an employer
15 pays an employee with a check which is subsequently returned to the employee or an
16 agent thereof by reason of the refusal of the bank upon which such check was drawn to
17 honor the same due to insufficient funds or a stop payment notice, the employer shall
18 reimburse the employee for any fees or costs incurred by the employee due to the refusal
19 to honor the check within fourteen (14) days of the employer's notice of the bank's refusal
20 to honor the check.

21 SECTION 2. AMENDATORY 40 O.S. 2001, Section 197.6, is amended to read
22 as follows:

1 Section 197.6 On and after August 1, 1965, every employer, subject to this act, shall
2 post a notice or notices of the pertinent provisions of this act in such form as may be
3 prescribed and furnished by the Commissioner of Labor. ~~Said~~ The notice shall be not less
4 than eight and one-half (8 1/2) inches by eleven (11) inches ~~by seventeen (17) inches~~ in
5 size and shall be displayed in such a manner so as to be accessible to all employees in
6 each establishment under the control of the employer. The Commissioner, or his or her
7 duly authorized representative, may, for the purpose of determining whether such notice
8 has been properly posted, enter, during business hours, upon the premises of any
9 employer subject to this act.

10 SECTION 3. This act shall become effective November 1, 2009.

11 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND
12 FINANCIAL SERVICES, dated 03-19-09 - DO PASS, As Amended.

UNDERLINED language denotes Amendments to present Statutes.
BOLD FACE CAPITALIZED language denotes Committee Amendments.
~~Strike thru~~ language denotes deletion from present Statutes.