

An Act

ENROLLED SENATE
BILL NO. 1345

By: Hall of the Senate

and

Boatman and Kendrix of the
House

An Act relating to labor; amending 40 O.S. 2021, Section 165.1, which relates to definition; providing definitions; amending 40 O.S. 2021, Section 165.2, which relates to payment of wages; providing provision for employer to use certain wage payment option under certain condition; making language gender neutral; and providing an effective date.

SUBJECT: Labor

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

SECTION 1. AMENDATORY 40 O.S. 2021, Section 165.1, is amended to read as follows:

Section 165.1. As used only in Sections 165.1 through 165.11 of this title:

1. "Employer" means every individual, partnership, firm, association, corporation, the legal representative of a deceased individual, or the receiver, trustee or successor of an individual, firm, partnership, association or corporation, employing any person in this state;

2. "Employee" means any person permitted to work by an employer;

3. "Exempt employee" means those management level employees exempt under the provisions of Section 213 of the Fair Labor

Standards Act, as amended, 29 U.S.C. Section 213, from the provisions of Sections 206 and 207 of said act;

4. "Financial institution" means a bank, savings bank, savings and loan association or credit union whose deposits are insured by the Federal Deposit Insurance Corporation, the National Credit Union Administration, or any successor institution;

5. "Payroll card" means a card or other device used by an employee to access wages from a payroll card account;

6. "Payroll card account" means a prepaid account that is directly or indirectly established through an employer and to which transfers of the employee's wages, salary, or other compensation are made on a recurring basis;

7. "Wages" means compensation owed by an employer to an employee for labor or services rendered, including salaries, commissions, holiday and vacation pay, overtime pay, severance or dismissal pay, bonuses and other similar advantages agreed upon between the employer and the employee, which are earned and due, or provided by the employer to his or her employees in an established policy, whether the amount is determined on a time, task, piece, commission or other basis of calculation;

~~5.~~ 8. "Commissioner" means ~~State~~ the Commissioner of Labor; and

~~6.~~ 9. "Bona fide disagreement" means an honest and sincere belief or assertion based on a dispute of a determinative fact or application of law under this title which is supported by relevant evidence.

SECTION 2. AMENDATORY 40 O.S. 2021, Section 165.2, is amended to read as follows:

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

of nonprivate foundations qualified pursuant to 26 U.S.C. 509(a)(1) and 26 U.S.C. 170(b)(1)(A)(vi) shall be paid a minimum of once each calendar month. The amount due such employees shall be paid in lawful money of the United States, including payment by electronic means, and the employee shall not be deemed to have waived any right or rights mentioned in this section because of any contract to the contrary. Each employer in this state, in its discretion, may pay all wages due to an employee by deposit on the payday at a financial institution of the employee's choice or, if the employee does not consent or designate a financial institution, to a payroll card account. With each payment of wages earned by such employee, the employer shall issue to such employee a brief itemized statement of any and all deductions therefrom. An interval of not more than eleven (11) days may elapse between the end of the pay period worked and the regular payday designated by the employer. The employer shall be allowed three (3) days after such payday in which to comply with this section.

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

SECTION 3. This act shall become effective November 1, 2022.

Passed the Senate the 16th day of February, 2022.

Presiding Officer of the Senate

Passed the House of Representatives the 27th day of April, 2022.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____