

1 **SENATE FLOOR VERSION**

February 10, 2022

2 **AS AMENDED**

3 SENATE BILL NO. 1345

By: Hall of the Senate

4 and

5 Boatman of the House

6
7
8 An Act relating to labor; amending 40 O.S. 2021,
9 Section 165.1, which relates to definition; providing
10 definitions; amending 40 O.S. 2021, Section 165.2,
11 which relates to payment of wages; providing
12 provision for employer to use certain wage payment
13 option under certain condition; making language
14 gender neutral; and providing an effective date.

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

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

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

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

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

3 3. "Exempt employee" means those management level employees
4 exempt under the provisions of Section 213 of the Fair Labor
5 Standards Act, as amended, 29 U.S.C. Section 213, from the
6 provisions of Sections 206 and 207 of said act;

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

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

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

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

1 ~~5.~~ 8. "Commissioner" means ~~State~~ the Commissioner of Labor; and

2 ~~6.~~ 9. "Bona fide disagreement" means an honest and sincere
3 belief or assertion based on a dispute of a determinative fact or
4 application of law under this title which is supported by relevant
5 evidence.

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

8 Section 165.2. Every employer in this state shall pay all wages
9 due their employees, other than exempt employees and employees of
10 nonprivate foundations qualified pursuant to 26 U.S.C. 509(a)(1) and
11 26 U.S.C. 170(b)(1)(A)(vi), at least twice each calendar month on
12 regular paydays designated in advance by the employer. State,
13 county and municipal employees, exempt employees, school district
14 employees, technology center school district employees and employees
15 of nonprivate foundations qualified pursuant to 26 U.S.C. 509(a)(1)
16 and 26 U.S.C. 170(b)(1)(A)(vi) shall be paid a minimum of once each
17 calendar month. The amount due such employees shall be paid in
18 lawful money of the United States~~7~~ including payment by electronic
19 means, and the employee shall not be deemed to have waived any right
20 or rights mentioned in this section because of any contract to the
21 contrary. Each employer in this state, in its discretion, may pay
22 all wages due to an employee by deposit on the payday at a financial
23 institution of the employee's choice or, if the employee does not
24 consent or designate a financial institution, to a payroll card

1 account. With each payment of wages earned by such employee, the
2 employer shall issue to such employee a brief itemized statement of
3 any and all deductions therefrom. An interval of not more than
4 eleven (11) days may elapse between the end of the pay period worked
5 and the regular payday designated by the employer. The employer
6 shall be allowed three (3) days after such payday in which to comply
7 with this section.

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

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

22 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM
23 February 10, 2022 - DO PASS AS AMENDED
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