Payroll Deductions; Senate Sub. for HB 2022

Senate Sub. for HB 2022 revises the purposes for certain payroll deductions from the paychecks of private or public employees.

Wage Payment Act

An employer may withhold, contingent upon a signed written agreement between the employer and the employee, a portion of an employee's wages for the following purposes:

- Repayment of a loan or an advance the employer made to the employee during the course and scope of employment;

- Recovery of overpayment; and

- Replacement cost or the unpaid balance of the employer's merchandise or uniforms purchased by the employee.

When a person leaves employment, the bill gives the employer the discretion, contingent upon written notice and explanation to the employee, to deduct any portion of the employee's final wages for the following purposes:

- Recovery of the employer's property provided to the employee in the course of the employer's business until the property is returned to the employer. Upon return of the employer's property, the withheld wages are to be paid to the employee;

- Repayment of a loan or advance the employer made to the employee during the course of and within the scope of employment;

- Recovery of payroll overpayment; or

- Replacement cost of the employer's merchandise, uniforms, or equipment purchased by the employee.

The employer cannot withhold amounts that cause the wages paid to the employee to be less than the federal or state minimum wage, whichever is applicable.

Under law previously enacted, an employee may authorize wage deductions for charitable donations, dues paid to labor organizations, or for service fees. An employer may withhold or deduct any portion of an employee's wages provided:

- It is allowed by law;

- The deduction is for healthcare;

- The employer has signed authorization by the employee for a lawful purpose accruing to the employee's benefit; or

- The deduction is to be deposited into a retirement plan.

The bill also revises the Professional Negotiations Act and the Public Employer-Employee Relations Act (PEERA) by defining and restricting the partisan or political purposes of professional employees' organizations (PEOs) and public employee organizations. For both types of organizations, the bill defines "partisan or political purposes" to mean an act done with the intent to influence, directly or indirectly, a person to vote for or against any candidate for public office at any caucus, political convention, primary, or election.

The bill does not preclude either type of organization from using memberships dues to:

- Communicate with its members about political candidates or issues; or

- Establish a political fund or solicit political contributions from its members.

Professional Negotiations Act

The bill prohibits PEOs, which are defined by KSA 72-5413 to mean groups of certified employees that negotiate with boards of education regarding the terms and conditions of professional services, from using money deducted from members' paychecks for partisan or political activities. PEOs shall not require political contributions as a condition of membership.

The bill requires PEOs wanting to spend money for partisan or political purposes to ensure members' contributions are voluntary. Political funds shall be separate from the money received as union dues and established as a political action committee. Violation of this prohibition must be enforced pursuant to KSA 72-5430a, requiring the Secretary of the Department of Labor to investigate and grant relief, if necessary.

Public Employer-Employee Relations Act

Under law previously enacted, public employee organizations are prohibited from endorsing candidates or spending any income, directly or indirectly, for partisan or political purposes involving the election of candidates for any public office. Under the bill, violation of this prohibition must be enforced pursuant to KSA 75-4334, requiring the Public Employee Relations Board to investigate and make findings.