

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL 375
State and Local Government Committee Substitute Adopted 4/25/17

Short Title: Limit Payroll Deduct./Wage Withhold.

(Public)

Sponsors:

Referred to:

March 27, 2017

1 A BILL TO BE ENTITLED
2 AN ACT REPEALING PUBLIC EMPLOYEE PAYROLL DEDUCTION FOR PAYMENTS
3 TO EMPLOYEES' ASSOCIATIONS AND TO PROHIBIT WITHHOLDING OF
4 EMPLOYEE WAGES FOR LABOR ORGANIZATIONS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 143B-426.40A reads as rewritten:
7 "§ 143B-426.40A. Assignments of claims against State.

8 ...
9 (g) Payroll Deduction for Payments to Certain Employees' Associations Allowed.—An
10 employee of the State or any of its political subdivisions, institutions, departments, bureaus,
11 agencies or commissions, or any of its local boards of education or community colleges, who is
12 a member of a domiciled employees' association that has at least 2,000 members, 500 of whom
13 are employees of the State, a political subdivision of the State, or public school employees, may
14 authorize, in writing, the periodic deduction each payroll period from the employee's salary or
15 wages a designated lump sum to be paid to the employees' association. A political subdivision
16 may also allow periodic deductions for a domiciled employees' association that does not
17 otherwise meet the minimum membership requirements set forth in this paragraph. The total
18 membership count and the State, political subdivision of the State, or public school employee
19 membership count of a domiciled employees' association that has at least 2,000 members, 500
20 of whom are employees of the State, a political subdivision of the State, or public school
21 employees, shall be verified and certified annually by the State Auditor.

22 An employee of any local board of education who is a member of a domiciled employees'
23 association that has at least 40,000 members, the majority of whom are public school teachers,
24 may authorize in writing the periodic deduction each payroll period from the employee's salary
25 or wages a designated lump sum or sums to be paid for dues and voluntary contributions for the
26 employees' association. The total membership count and the public school teacher membership
27 count of a domiciled employees' association that has at least 40,000 members, the majority of
28 whom are public school teachers, shall be verified and certified annually by the State Auditor.

29 An authorization under this subsection shall remain in effect until revoked by the employee.
30 A plan of payroll deductions pursuant to this subsection for employees of the State and other
31 association members shall become void if the employees' association engages in collective
32 bargaining with the State, any political subdivision of the State, or any local school
33 administrative unit. This subsection does not apply to county or municipal governments or any
34 local governmental unit, except for local boards of education.

35"

36 SECTION 2. G.S. 95-25.8 reads as rewritten:



1 "§ 95-25.8. Withholding of wages.

2 ...

3 (a1) Notwithstanding subsection (a) of this section or any other provision of law, an
4 employer shall not withhold or divert any portion of an employee's wages for the benefit of any
5 labor organization or any agent, employee, or officer of a labor organization if the employee is
6 not covered by the Federal Railway Labor Act, the National Labor Relations Act, or the Labor
7 Management Relations Act. For purposes of this subsection, the term "labor organization"
8 means any trade union, labor union, or other labor association.

9"

10 **SECTION 3.** If any section or provision of this act is declared unconstitutional or
11 invalid by the courts, it does not affect the validity of this act as a whole or any part other than
12 the part declared to be unconstitutional or invalid.

13 **SECTION 4.** Section 2 of this act is effective when it becomes law and applies to
14 agreements between employers and employees or labor organizations entered into, renewed, or
15 extended on or after that date. The remainder of this act is effective when it becomes law.