

REFERENCE TITLE: paycheck deductions; employee authorization.

State of Arizona
Senate
Fifty-first Legislature
First Regular Session
2013

SB 1142

Introduced by
Senator Pierce

AN ACT

AMENDING SECTION 23-361.02, ARIZONA REVISED STATUTES; RELATING TO PAYMENT OF WAGES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 23-361.02, Arizona Revised Statutes, is amended to
3 read:

4 23-361.02. Paycheck deductions; authorization; civil penalty;
5 definition

6 A. For deductions after October 1, ~~2011~~ 2013, a public ~~or private~~
7 employer in this state shall not deduct any THIRD-PARTY payment from an
8 employee's paycheck ~~for political purposes~~ unless the employee annually
9 provides EXPRESS written or electronic authorization to the employer for the
10 deduction.

11 ~~B. If a deduction is made from an employee's paycheck for multiple~~
12 ~~purposes after October 1, 2011, the employer shall obtain a statement from~~
13 ~~each entity to which the deductions are paid that indicates the payment is~~
14 ~~not used for political purposes or a statement that indicates the maximum~~
15 ~~percentage of the payment that is used for political purposes. The employer~~
16 ~~shall not deduct any payment beyond that specified for nonpolitical purposes~~
17 ~~without the annual written or electronic permission of the employee.~~

18 ~~C. B. Within ninety days after the effective date of this section,~~
19 The attorney general shall adopt rules that describe the acceptable forms of
20 employee authorization and entity statements under this section.

21 ~~D. C. If an A PUBLIC employer knowingly deducts payments in violation~~
22 ~~of subsection A of this section or an entity provides an inaccurate statement~~
23 ~~under this section, the respective employer or entity is subject to a civil~~
24 ~~penalty of at least ten thousand dollars for each violation. The attorney~~
25 ~~general shall impose and collect the civil penalties under this subsection~~
26 ~~and shall deposit, pursuant to sections 35-146 and 35-147, all civil~~
27 ~~penalties collected pursuant to this section in the state general fund.~~

28 ~~E. D. This section does not apply to any of the following:~~

29 ~~1. A single deduction for nonpolitical purposes.~~

30 ~~2. Deductions for savings or charitable contributions.~~

31 ~~3. 1. Deductions for employee health care, retiree or welfare~~
32 ~~benefits.~~

33 ~~4. 2. Deductions for state, local or federal taxes.~~

34 ~~5. Deductions for contributions to a separate segregated fund pursuant~~
35 ~~to 2 United States Code section 441b(b) or section 16-920, subsection A,~~
36 ~~paragraph 3.~~

37 ~~6. 3. Any deduction otherwise required by law, INCLUDING~~
38 ~~CONTRIBUTIONS OR DEDUCTIONS TO A STATE RETIREMENT SYSTEM OR PLAN ESTABLISHED~~
39 ~~BY TITLE 38, CHAPTER 5, ARTICLE 2, 2.1, 3, 4 OR 6.~~

40 ~~F. E. If an employee has authorized a deduction from the employee's~~
41 ~~paycheck under this section and the employee resigns membership in the~~
42 ~~association or organization for which the deduction was authorized, the~~
43 ~~employee's authorization for the deduction is rescinded upon the employer's~~
44 ~~receipt from the employee of written notice of the resignation. The employer~~
45 ~~shall have one pay period to process the rescission.~~

1 ~~G.~~ F. This section does not preempt any federal law.

2 ~~H. For the purposes of this section, employee does not include any~~
3 ~~public safety employee, including a peace officer, firefighter, corrections~~
4 ~~officer, probation officer or surveillance officer, who is employed by this~~
5 ~~state or a political subdivision of this state.~~

6 ~~I. For the purposes of this section, "political purposes" means~~
7 ~~supporting or opposing any candidate for public office, political party,~~
8 ~~referendum, initiative, political issue advocacy, political action committee~~
9 ~~or other similar group.~~

10 G. FOR THE PURPOSES OF THIS SECTION, "PUBLIC EMPLOYER" MEANS ANY
11 ENTITY THAT PRIMARILY RELIES ON TAX REVENUES.

12 Sec. 2. Short title

13 This act may be cited as the "Protect Arizona Employees' Paychecks
14 Act".

15 Sec. 3. Severability

16 If any provision of this act or its application to any person or
17 circumstance is held invalid, the invalidity shall not affect other
18 provisions or applications of this act that can be given effect without the
19 invalid provision or application, and to this end the provisions of this act
20 are severable.

21 Sec. 4. Emergency

22 This act is an emergency measure that is necessary to preserve the
23 public peace, health or safety and is operative immediately as provided by
24 law.