

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1053
Second Edition Engrossed 5/6/91

Short Title: School Emp. Ass'n/Payroll Deduct.

(Public)

Sponsors: Representatives Nesbitt, Hackney; Bowman, Hardaway, and Miller.

Referred to: Public Employees.

April 22, 1991

A BILL TO BE ENTITLED

1 AN ACT TO PERMIT PUBLIC SCHOOL EMPLOYEES TO AUTHORIZE THE
2 PERIODIC DEDUCTION FROM THEIR SALARIES OF PAYMENTS TO THE
3 EMPLOYEES' ASSOCIATIONS.
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5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 143-3.3(a) reads as rewritten:

7 "(a) All transfers and assignments made of any claim upon the State of North
8 Carolina or any of its departments, bureaus or commissions or upon any State institution
9 or of any part or share thereof or interest therein, whether absolute or conditional and
10 whatever may be the consideration therefor and all powers of attorney, orders or other
11 authorities for receiving payment of any such claim or any part or share thereof shall be
12 absolutely null and void unless such claim has been duly audited and allowed and the
13 amount due thereon fixed and a warrant for the payment thereof has been issued; and no
14 warrant shall be issued to any assignee of any claim or any part or share thereof or
15 interest therein: Provided that this section shall not apply to assignments made in favor
16 of hospitals, building and loan associations, prepaid legal services, uniform rental firms
17 to allow employees of the Department of Transportation to rent uniforms that include
18 day-glo orange shirts or vests as required by federal and State law, and medical,
19 hospital, disability and life insurance companies: Provided further, that any employee of
20 the State or of any of its institutions, departments, bureaus, agencies or commissions,
21 who is a member of any credit union organized pursuant to Chapter 54 of the North
22 Carolina General Statutes having a membership at least one half of whom are employed
23 by the State or its institutions, departments, bureaus, agencies or commissions, may

1 authorize, in writing, the periodic deduction from his salary of wages as such employee
2 of a designated lump sum, which shall be paid to such credit unions when said salaries
3 or wages are payable, for deposit to such accounts, purchase of such shares or payment
4 of such obligations as the employee and the credit union may agree: Provided further,
5 that any employee of the State or of any of its institutions, departments, bureaus,
6 agencies or commissions, or any of its local boards of education or community colleges,
7 who is a member of a domiciled ~~State~~ employees' association with a membership of not
8 less than ~~5,000~~ 2,000 members, the majority of whom are State ~~employees,~~ employees or
9 public school employees, may authorize in writing the periodic deduction from his
10 salary or wages a designated sum to be paid to the employees' association. This plan of
11 payroll deductions for State employees and other association members shall become
12 null and void at such time as the employee association engages in collective ~~bargaining.~~
13 bargaining regarding the salaries or benefits of its members. Except as otherwise
14 provided, nothing in this last proviso shall apply to ~~local boards of education,~~ county or
15 municipal governments or any local governmental ~~units.~~ units, except for local boards of
16 education. Provided further, that subject to the rules and regulations adopted by the
17 State Controller, any employee of the State or of any of its institutions, departments,
18 bureaus, agencies or commissions may authorize in writing the withholding from his
19 salary or wages an amount to satisfy his pledge to the State Employees Combined
20 Campaign. Provided further, that subject to any rules and regulations adopted by the
21 State Controller, any employee of a local board of education or community college may
22 authorize in writing the withholding from his salary or wages a periodic deduction of a
23 designated sum to be paid to any organization which qualifies for recognition of
24 exemption by the Internal Revenue Service as a charitable organization as defined in
25 Section 501(c)(3) of the Internal Revenue Code which has first been approved by his
26 local board of education or community college board. Provided further, that subject to
27 any rules and regulations adopted by the State Controller, any employee of a constituent
28 institution of The University of North Carolina that processes its own payroll may
29 authorize in writing the withholding from his salary or wages a periodic deduction of a
30 designated sum to be paid to any organization that qualifies for recognition of
31 exemption by the Internal Revenue Service as a charitable organization as defined in
32 Section 501(c)(3) of the Internal Revenue Code and that exists to support athletic or
33 charitable programs at the constituent institution where the employee is employed;
34 Provided further that such organization must be approved by the President of The
35 University of North Carolina as existing to support such athletic or charitable programs;
36 Provided, further that such withholding is allowed only at those eligible constituent
37 institutions that have authorized withholding plans under this proviso. If a withholding
38 plan results in additional costs to a campus, these costs shall be paid by those charitable
39 organizations receiving contributions under the withholding plan."

40 Sec. 2. This act becomes effective July 1, 1991.