

House Engrossed Senate Bill

FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

CHAPTER 251

SENATE BILL 1365

AN ACT

AMENDING TITLE 23, CHAPTER 2, ARTICLE 7, ARIZONA REVISED STATUTES, BY ADDING SECTION 23-361.02; 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. Title 23, chapter 2, article 7, Arizona Revised Statutes,
3 is amended by adding section 23-361.02, to read:

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

6 A. FOR DEDUCTIONS AFTER OCTOBER 1, 2011, A PUBLIC OR PRIVATE EMPLOYER
7 IN THIS STATE SHALL NOT DEDUCT ANY PAYMENT FROM AN EMPLOYEE'S PAYCHECK FOR
8 POLITICAL PURPOSES UNLESS THE EMPLOYEE ANNUALLY PROVIDES WRITTEN OR
9 ELECTRONIC AUTHORIZATION TO THE EMPLOYER FOR THE DEDUCTION.

10 B. IF A DEDUCTION IS MADE FROM AN EMPLOYEE'S PAYCHECK FOR MULTIPLE
11 PURPOSES AFTER OCTOBER 1, 2011, THE EMPLOYER SHALL OBTAIN A STATEMENT FROM
12 EACH ENTITY TO WHICH THE DEDUCTIONS ARE PAID THAT INDICATES THE PAYMENT IS
13 NOT USED FOR POLITICAL PURPOSES OR A STATEMENT THAT INDICATES THE MAXIMUM
14 PERCENTAGE OF THE PAYMENT THAT IS USED FOR POLITICAL PURPOSES. THE EMPLOYER
15 SHALL NOT DEDUCT ANY PAYMENT BEYOND THAT SPECIFIED FOR NONPOLITICAL PURPOSES
16 WITHOUT THE ANNUAL WRITTEN OR ELECTRONIC PERMISSION OF THE EMPLOYEE.

17 C. WITHIN NINETY DAYS AFTER THE EFFECTIVE DATE OF THIS ACT, THE
18 ATTORNEY GENERAL SHALL ADOPT RULES THAT DESCRIBE THE ACCEPTABLE FORMS OF
19 EMPLOYEE AUTHORIZATION AND ENTITY STATEMENTS UNDER THIS SECTION.

20 D. IF AN EMPLOYER KNOWINGLY DEDUCTS PAYMENTS IN VIOLATION OF
21 SUBSECTION A OF THIS SECTION OR AN ENTITY PROVIDES AN INACCURATE STATEMENT
22 UNDER THIS SECTION, THE RESPECTIVE EMPLOYER OR ENTITY IS SUBJECT TO A CIVIL
23 PENALTY OF AT LEAST TEN THOUSAND DOLLARS FOR EACH VIOLATION. THE ATTORNEY
24 GENERAL SHALL IMPOSE AND COLLECT THE CIVIL PENALTIES UNDER THIS SUBSECTION
25 AND SHALL DEPOSIT, PURSUANT TO SECTIONS 35-146 AND 35-147, ALL CIVIL
26 PENALTIES COLLECTED PURSUANT TO THIS SECTION IN THE STATE GENERAL FUND.

27 E. THIS SECTION DOES NOT APPLY TO ANY OF THE FOLLOWING:

- 28 1. A SINGLE DEDUCTION FOR NONPOLITICAL PURPOSES.
- 29 2. DEDUCTIONS FOR SAVINGS OR CHARITABLE CONTRIBUTIONS.
- 30 3. DEDUCTIONS FOR EMPLOYEE HEALTH CARE, RETIREE OR WELFARE BENEFITS.
- 31 4. DEDUCTIONS FOR STATE, LOCAL OR FEDERAL TAXES.
- 32 5. DEDUCTIONS FOR CONTRIBUTIONS TO A SEPARATE SEGREGATED FUND PURSUANT

33 TO 2 UNITED STATES CODE SECTION 441b(b) OR SECTION 16-920, SUBSECTION A,
34 PARAGRAPH 3.

35 6. ANY DEDUCTION OTHERWISE REQUIRED BY LAW.

36 F. IF AN EMPLOYEE HAS AUTHORIZED A DEDUCTION FROM THE EMPLOYEE'S
37 PAYCHECK UNDER THIS SECTION AND THE EMPLOYEE RESIGNS MEMBERSHIP IN THE
38 ASSOCIATION OR ORGANIZATION FOR WHICH THE DEDUCTION WAS AUTHORIZED, THE
39 EMPLOYEE'S AUTHORIZATION FOR THE DEDUCTION IS RESCINDED UPON THE EMPLOYER'S
40 RECEIPT FROM THE EMPLOYEE OF WRITTEN NOTICE OF THE RESIGNATION. THE EMPLOYER
41 SHALL HAVE ONE PAY PERIOD TO PROCESS THE RESCISSION.

42 G. THIS SECTION DOES NOT PREEMPT ANY FEDERAL LAW.

1 H. FOR THE PURPOSES OF THIS SECTION, EMPLOYEE DOES NOT INCLUDE ANY
2 PUBLIC SAFETY EMPLOYEE, INCLUDING A PEACE OFFICER, FIRE FIGHTER, CORRECTIONS
3 OFFICER, PROBATION OFFICER OR SURVEILLANCE OFFICER, WHO IS EMPLOYED BY THIS
4 STATE OR A POLITICAL SUBDIVISION OF THIS STATE.

5 I. FOR THE PURPOSES OF THIS SECTION, "POLITICAL PURPOSES" MEANS
6 SUPPORTING OR OPPOSING ANY CANDIDATE FOR PUBLIC OFFICE, POLITICAL PARTY,
7 REFERENDUM, INITIATIVE, POLITICAL ISSUE ADVOCACY, POLITICAL ACTION COMMITTEE
8 OR OTHER SIMILAR GROUP.

9 Sec. 2. Short title

10 This act may be cited as the "Protect Arizona Employees' Paychecks from
11 Politics Act".

12 Sec. 3. Severability

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

18 Sec. 4. Emergency

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

**EMERGENCY
NOT LIMITED**

APPROVED BY THE GOVERNOR APRIL 26, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 26, 2011.

Passed the House April 18, 2011,

Passed the Senate March 10, 2011,

by the following vote: 39 Ayes,

by the following vote: 21 Ayes,

19 Nays, 2 Not Voting

9 Nays, 0 Not Voting

[Signature]
Speaker of the House

[Signature]
President of the Senate

Cheryl Laube
Chief Clerk of the House

[Signature]
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill was received by the Governor this

_____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

_____, 20____,

at _____ o'clock _____ M.

Governor of Arizona

S.B. 1365

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 19, 20 11

by the following vote: 21 Ayes,

9 Nays, 0 Not Voting

[Signature]
President of the Senate

[Signature]
Assistant Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this
20 day of April, 20 11

at 12:00 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 26th day of
April

at 10:55 o'clock A. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State
this 26th day of April, 20 11

S.B. 1365

at 2:55 o'clock P. M.

[Signature]
Secretary of State