



SENATE BILL 375: Limit Payroll Deduct./Wage Withhold.

2017-2018 General Assembly

Committee:	Senate Rules and Operations of the Senate	Date:	April 25, 2017
Introduced by:	Sen. Hise	Prepared by:	Brad Krehely Staff Attorney
Analysis of:	Second Edition		

OVERVIEW: Senate Bill 375 would repeal the statutory provision permitting payroll deductions to certain employees' associations and would provide that an employer must not withhold an employee's wages for the benefit of any labor organization if the employee is not covered by specified federal laws. The act would be effective when it becomes law.

CURRENT LAW: G.S. 143B-426.40A(b) prohibits assignments of claims against the State unless the claim has been audited and allowed by the State and the State has issued a warrant for payment of the claim, subject to certain exceptions.

One of the exceptions to this general prohibition is G.S. 143B-426.40A(g), which permits payroll deductions to certain employees' associations.

BILL ANALYSIS: Senate Bill 375 would repeal G.S. 143B-426.40A(g), thereby prohibiting payroll deductions to employees' associations permitted under that subsection. It also would provide that an employer must not withhold an employee's wages for the benefit of any labor organization (i.e. trade union, labor union, or other labor association) if the employee is not covered by the Federal Railway Labor Act, the National Labor Relations Act, or the Labor Management Relations Act.

EFFECTIVE DATE: This act would be effective when it becomes law.

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