

1 AN ACT relating to paycheck protection.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 161.158 is amended to read as follows:

- 4 (1) (a) Each district board of education may form its employees into a group or
5 groups or recognize existing groups for the purpose of obtaining the
6 advantages of group life, disability, medical, and dental insurance, or any
7 group insurance plans to aid its employees including the state employee health
8 insurance group as described in KRS 18A.225 to 18A.2287, as long as the
9 employees continue to be employed by the board of education. Medical and
10 dental group insurance plans obtained under authority of this section may
11 include insurance benefits for the families of the insured group or groups of
12 employees. Any district board of education may pay all or part of the premium
13 on the policies, and may deduct from the salaries of the employees that part of
14 the premium which is to be paid by them and may contract with the insurer to
15 provide the above benefits. As permitted in KRS 160.280(4), board members
16 shall be eligible to participate in any group medical or dental insurance
17 provided by the district for employees.
- 18 (b) If a district board of education participates in the state employee health
19 insurance program, as described in KRS 18A.225 to 18A.2287, for its active
20 employees and terminates participation and there is a state appropriation
21 approved by the General Assembly for the employer's contribution for active
22 employees' health insurance coverage, neither the board of education nor the
23 employees shall receive the state-funded contribution after termination from
24 the state employee health insurance program.
- 25 (c) If a district board of education participates in the state employee health
26 insurance program as described in KRS 18A.225 to 18A.2287 for its active
27 employees, all district employees who are required to be offered health

1 insurance coverage for purposes of, and in accordance with, the federal Patient
2 Protection and Affordable Care Act of 2010, Pub. L. No. 111-148, shall be
3 eligible for the state-funded contribution appropriated by the General
4 Assembly for the employer's contribution for active employees' health
5 insurance coverage.

6 (2) (a) Each district board of education shall adopt policies or regulations which will
7 provide for:

8 1. a. Deductions from salaries of its employees or groups of employees
9 whenever a request is presented to the board by said employees or
10 groups thereof.

11 b. The deductions shall be made from salaries earned in at least eight
12 (8) different pay periods.

13 c. The deductions may be made for, but are not limited to,
14 membership dues, tax-sheltered annuities, and group insurance
15 premiums.

16 d. i. The district board is prohibited from deducting membership
17 dues of an employee organization, membership organization,
18 or labor organization without the express written consent of
19 the employee directly from the employee to the district
20 board. Express written consent of the employee may be
21 revoked in writing by the employee at any time. Upon
22 receipt of a request, the district board, employee
23 organization, membership organization, or labor
24 organization shall cease any withholding of dues from the
25 employee's wages and no further debt to the employee
26 organization, membership organization, or labor
27 organization shall accrue. This provision shall apply to

1 contracts entered into, opted in, extended or renewed on or
2 after the effective date of this Act[January 9, 2017].

3 ii. Authorization for withholding shall be on a form approved
4 by the district board and shall contain a statement in 14-
5 point boldface font that reads as follows: "I am aware that
6 I have a First Amendment right, as recognized by the
7 United States Supreme Court, to refrain from joining and
8 paying dues or fees to an employee organization,
9 membership organization, or labor organization. I further
10 realize that membership and payment of dues or fees are
11 voluntary and that I may not be discriminated against for
12 my refusal to join or financially support an employee
13 organization, membership organization, or labor
14 organization. I authorize my employer to deduct union
15 dues or fees from my salary in the amounts specified in
16 accordance with my organization's bylaws. I understand
17 that I may revoke this authorization at any time."

18 iii. The authorization-for-withholding form shall include the
19 employee's full name, position, employee organization,
20 membership organization, or labor organization, and
21 signature and shall be submitted to the district board. After
22 receiving the authorization-for-withholding form, the
23 district board shall confirm the authorization by e-mailing
24 the employee at the employee's employer-provided work e-
25 mail address and shall wait for confirmation of the
26 authorization before starting any deduction. If the
27 employee does not possess an employer-provided work e-

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mail address, the employer may use other means it deems appropriate to confirm the authorization.

iv. Authorizations for employee organization, membership organization, or labor organization dues or other fees shall not exceed one (1) year and shall be renewed annually to be effective. Any prior authorizations for organization dues shall be invalid.

e. With the exception of membership dues, the board shall not be required to make more than one (1) remittance of amounts deducted during a pay period for a separate type of deduction; and

2. Deductions from payments for the per diem and actual expenses provided under KRS 160.280(1) to members of the district board of education whenever a request is presented by a board member to the board. The deductions may be made for but not be limited to membership dues, health insurance purchases, scholarship funds, and contributions to a political action committee.

(b) The deductions under paragraph (a)1. and 2. of this subsection shall be remitted to the appropriate organization or association as specified by the employees within thirty (30) days following the deduction, provided the district has received appropriate invoices or necessary documentation.

(c) Health insurance, life insurance, and tax-sheltered annuities shall be interpreted as separate types of deductions. When amounts have been correctly deducted and remitted by the board, the board shall bear no further responsibility or liability for subsequent transaction.

(3) Payments and deductions made by the board of education under the authority of this section are presumed to be for services rendered and for the benefit of the common schools, and the payments and deductions shall not affect the eligibility of any

1 school system to participate in the public school funding program as established in
2 KRS Chapter 157.

3 ➔Section 2. KRS 336.135 is amended to read as follows:

4 (1) As used in this section, "employee" means any person employed by or suffered or
5 permitted to work for a public or private employer, except "employee" shall not
6 mean any person covered by the Federal Railway Labor Act and the National Labor
7 Relations Act.

8 (2) An employee shall not be enrolled as a member of a labor organization unless the
9 employee has affirmatively requested membership in writing.

10 (3) (a) A sum shall not be withheld from the earnings of any employee for the
11 purpose of paying union dues or other fees paid by members of a labor
12 organization or employees who are non-members except upon the annual
13 written or electronic authorization of the employee member or employee non-
14 member directly to the employer.

15 (b) Written or electronic consent of the employee may be revoked by the
16 employee at any time. Upon receipt of a request, the employer or labor
17 organization shall cease any withholding of dues or other fees from
18 employees' wages and no further debt to the labor organization shall
19 accrue.

20 (c) 1. Authorization for withholding shall be on a form approved by the
21 Labor Cabinet, which shall report annually on implementation of the
22 authorization to the legislature and shall contain a statement in 14-
23 point boldface font reading: "I am aware that I have a First
24 Amendment right, as recognized by the United States Supreme Court,
25 to refrain from joining and paying dues or fees to a labor
26 organization. I further realize that membership and payment of dues
27 or fees are voluntary and that I may not be discriminated against for

1 my refusal to join or financially support a labor organization. I
 2 authorize my employer to deduct union dues or fees from my salary in
 3 the amounts specified in accordance with my organization's bylaws. I
 4 understand that I may revoke this authorization at any time."

5 2. The authorization-for-withholding form shall include the employee's
 6 full name, position, labor organization, and signature or electronic
 7 signature and shall be submitted to the employer. After receiving the
 8 authorization-for-withholding form, the employer shall confirm the
 9 authorization by e-mailing the employee at the employee's employer-
 10 provided work e-mail address and shall wait for confirmation of the
 11 authorization before starting any deduction. If the employee does not
 12 possess an employer-provided work email address, the employer may
 13 use other means it deems appropriate to confirm the authorization.

14 (d) Authorizations for labor organization dues or other fees shall not exceed
 15 one (1) year and shall be renewed annually to be effective. Any prior
 16 authorizations for organization dues shall be invalid.

17 (4) The requirements in this section shall not be waived by any member or non-member
 18 of a labor organization, nor required to be waived as a condition of obtaining or
 19 maintaining employment.

20 (5) Signing or refraining from signing the authorization set forth in subsections (2) and
 21 (3) of this section shall not be made a condition of obtaining or maintaining
 22 employment.

23 (6) (a) A labor organization shall maintain financial records substantially similar to
 24 and no less comprehensive than the records required to be maintained under
 25 29 U.S.C. sec. 431(b).

26 (b) These records shall be kept in a searchable electronic format and provided to
 27 every employee it represents.

1 (c) The records and the data or summary by which the records can be verified,
2 explained, or clarified shall be kept for a period of not less than five (5) years.

3 (7) This section shall not apply to any agreement between employers and employees or
4 labor organizations entered into before January 9, 2017, but any such agreement
5 entered into, opted in, renewed, or extended on or after January 9, 2017, and which
6 violates this section shall be unlawful and void.

7 (8) This section shall be known as the "Paycheck Protection Act."