

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 1583  
Committee Substitute Favorable 7/9/07

Short Title: Restore Contract Rights to State/Local.

(Public)

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Sponsors:

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Referred to:

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April 19, 2007

A BILL TO BE ENTITLED

AN ACT TO RESTORE CONTRACT RIGHTS TO STATE AND LOCAL ENTITIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 95-98 is repealed.

**SECTION 2.** G.S. 135-18.8 reads as rewritten:

**"§ 135-18.8. Deduction for payments to certain employees' or retirees' associations allowed.**

Any beneficiary who is a member of a domiciled employees' or retirees' association that has at least 2,000 members, the majority of whom are active or retired employees of the State or public school employees, may authorize, in writing, the periodic deduction from the beneficiary's retirement benefits a designated lump sum to be paid to the employees' or retirees' association. The authorization shall remain in effect until revoked by the beneficiary. ~~A plan of deductions pursuant to this section shall become void if the employees' or retirees' association engages in collective bargaining with the State, any political subdivision of the State, or any local school administrative unit."~~

**SECTION 3.** G.S. 143B-426.40A(g) reads as rewritten:

"(g) Payroll Deduction for Payments to Certain Employees' Associations Allowed.

– An employee of the State or any of its political subdivisions, institutions, departments, bureaus, agencies or commissions, or any of its local boards of education or community colleges, who is a member of a domiciled employees' association that has at least 2,000 members, 500 of whom are employees of the State, a political subdivision of the State, or public school employees, may authorize, in writing, the periodic deduction each payroll period from the employee's salary or wages a designated lump sum to be paid to the employees' association. A political subdivision may also allow periodic deductions for a domiciled employees' association that does not otherwise meet the minimum membership requirements set forth in this paragraph.

An employee of any local board of education who is a member of a domiciled employees' association that has at least 40,000 members, the majority of whom are public school teachers, may authorize in writing the periodic deduction each payroll

1 period from the employee's salary or wages a designated lump sum or sums to be paid  
2 for dues and voluntary contributions for the employees' association.

3 An authorization under this subsection shall remain in effect until revoked by the  
4 employee. ~~A plan of payroll deductions pursuant to this subsection for employees of the  
5 State and other association members shall become void if the employees' association  
6 engages in collective bargaining with the State, any political subdivision of the State, or  
7 any local school administrative unit.~~ This subsection does not apply to county or  
8 municipal governments or any local governmental unit, except for local boards of  
9 education."

10 **SECTION 3.** Of the funds appropriated to the Office of State Personnel in  
11 fiscal year 2007-2008, the sum of one hundred thousand dollars (\$100,000) shall be  
12 allocated to develop a proposal for an employee negotiation process and to designate a  
13 coordinator of employee negotiations for State employees. The Office of State  
14 Personnel in consultation with the Director of the Budget shall establish the criteria for  
15 certification of employee organizations to participate in the negotiation process and  
16 identify the appropriate employer representative. The Office of State Personnel shall  
17 report on its proposal for a State employee negotiation process to the Joint Legislative  
18 Commission on Governmental Operations on or before April 1, 2008.

19 **SECTION 4.** Section 3 of this act is effective when it becomes law. The  
20 remainder of the act becomes effective July 1, 2008.