

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 2330
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Business & Commerce
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, Texas governmental entities facilitate the collection of membership fees for certain employee organizations by withholding these fees from public employees' paychecks and transferring the funds to the organizations. This process effectively allows the government to act as a financial intermediary between public employees and these organizations, including labor unions. In some cases, these funds are transferred to national organizations and unions outside Texas' jurisdiction.

This arrangement raises concerns about the appropriate role of government. The state should remain neutral in private financial relationships between public employees and external organizations. A 2020 Texas Attorney General opinion noted that state agencies rely on the organizations themselves to obtain employee consent for payroll deductions and lack an independent method to verify that consent was given knowingly and voluntarily, without coercion or improper inducement.

S.B. 2330, the Government Accountability and Transparency Act, restores the proper role of government by ending the practice of processing membership fees through public payroll systems. The bill does not prohibit public employees from joining or supporting any organization; it simply ensures that government resources are not used to facilitate these private financial transactions.

S.B. 2330 amends current law relating to payroll deductions for state and local government employee organizations, with exceptions for fire, police, and emergency medical services personnel who are covered under separate statute.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 2330 amends current law relating to payroll deductions for certain state and local government employee organizations.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter A, Chapter 22, Education Code, by adding Section 22.0011, as follows:

Sec. 22.0011. SALARY DEDUCTION FOR LICENSED LAW ENFORCEMENT OFFICER. (a) Provides that a school district employee that is employed by the school district as a law enforcement officer and licensed by the Texas Commission on Law Enforcement under Chapter 1701 (Law Enforcement Officers), Occupations Code, is entitled to have an amount deducted from the employee's salary for membership fees or dues to a professional organization. Requires the employee to file with the district a signed written request identifying the organization and specifying the number of pay periods per year the deductions are to be made, and inform the district of the total amount

of the fees and dues for each year or have the organization notify the district of the amount.

(b) Requires the district to deduct the total amount of fees or dues for a year in equal amounts per pay period for the number of periods specified by the employee. Requires that the deductions be made until the employee requests in writing that the deductions be discontinued.

SECTION 2. Amends the heading to Section 403.0165, Government Code, to read as follows:

Sec. 403.0165. PAYROLL DEDUCTION FOR ELIGIBLE STATE EMPLOYEE ORGANIZATION.

SECTION 3. Amends Section 403.0165(l)(1), Government Code, to redefine "eligible state employee organization."

SECTION 4. Amends the heading to Chapter 617, Government Code, to read as follows:

CHAPTER 617. COLLECTIVE BARGAINING, STRIKES, AND PAYROLL DEDUCTIONS

SECTION 5. Amends Chapter 617, Government Code, by adding Section 617.006, as follows:

Sec. 617.006. PROHIBITION ON COLLECTION OF LABOR ORGANIZATION DUES; EXCEPTIONS. (a) Prohibits the state or a political subdivision of the state, except as otherwise provided by this section, from deducting, withholding, or transferring from an employee's salary or wages payment of dues or membership fees to a labor organization or other similar organization, including a trade union, labor union, employees' association, or professional organization.

(b) Provides that Subsection (a) does not apply to deductions or withholdings by certain entities.

(c) Provides that Subsection (a) does not affect the ability of the state or a political subdivision of the state to deduct or withhold from an employee's salary or wages an amount for donation to a charitable organization determined to be eligible for participation in the state employee charitable campaign under Subchapter I (Charitable Contributions), Chapter 659 (Compensation).

SECTION 6. Amends Section 659.1031(b), Government Code, to redefine "eligible state employee organization."

SECTION 7. Amends the heading to Section 141.008, Local Government Code, to read as follows:

Sec. 141.008. PAYROLL DEDUCTIONS FOR CERTAIN MUNICIPAL LAW ENFORCEMENT OFFICERS, FIRE PROTECTION PERSONNEL, AND EMERGENCY MEDICAL SERVICES PERSONNEL.

SECTION 8. Amends Section 141.008, Local Government Code, by amending Subsections (a), (a-1), and (a-2) and adding Subsection (a-3), as follows:

(a) Provides that Section 141.008 (Payroll Deductions in Certain Municipalities) applies only to certain municipal employees.

(a-1) Creates this subsection from existing text. Authorizes the governing body of a municipality with a population of more than 10,000 to deduct from the monthly salary or wages of a municipal employee to which this section applies, rather than deduct from a municipal employee's monthly salary or wages, an amount requested in writing by the employee in payment of membership dues to a bona fide employees' association named by the employee.

(a-2) Redesignates existing Subsection (a-1) as Subsection (a-2). Requires the governing body to make the payroll deduction described by Subsection (a-1), rather than Subsection (a), if requested in writing by an employee who is a member of the municipality's fire department or emergency medical services personnel, rather than by employees who are fire protection personnel as defined by Section 419.021 (Definitions), Government Code, if the municipality meets certain criteria.

(a-3) Redesignates existing Subsection (a-2) as Subsection (a-3). Requires the governing body of a municipality whose police department is not covered by a collective bargaining agreement or meet and confer agreement entered into under this code to make the payroll deduction described by Subsection (a-1), rather than Subsection (a), if:

(1) requested in writing by an employee who is a member of the municipality's police department; and

(2) makes no changes to this subdivision.

Deletes existing text requiring the governing body to make the payroll deduction described by Subsection (a), if requested in writing by employees who are peace officers as defined by Article 2A.001 (Peace Officers Generally), Code of Criminal Procedure and are not members of a police department covered by a collective bargaining agreement or meet-and-confer agreement entered into under the Local Government Code.

SECTION 9. Amends Section 146.002(2), Local Government Code, to redefine "employee association."

SECTION 10. Amends Section 146.003, Local Government Code, by adding Subsection (e) to provide that Chapter 146 (Local Control of Municipal Employment Matters in Certain Municipalities) does not authorize an agreement for deducting or withholding payment of dues, fees, or contributions to a labor organization, as defined by Section 617.001 (Definition), Government Code, or any other similar entity, including a trade union, labor union, employees' association, or professional organization in violation of Section 617.006, Government Code.

SECTION 11. Amends Section 146.017, Local Government Code, as follows:

(a) Creates this subsection from existing text. Creates an exception under Subsection (b).

(b) Prohibits a written meet and confer agreement ratified under this chapter from conflicting with or preempting Section 617.006, Government Code.

SECTION 12. Amends Section 155.001, Local Government Code, as follows:

Sec. 155.001. DEDUCTIONS AUTHORIZED IN COUNTIES; PURPOSES. (a) Authorizes the commissioners court, on the request of a county employee, to authorize a payroll deduction to be made from the employee's wages or salary for certain payments, including payment relating to an item not listed in this subsection if the commissioners court determines that the payment serves a public purpose, unless the deduction would violate Section 617.006, Government Code. Deletes existing text authorizing the commissioners court, on the request of a county employee, to authorize a payroll deduction to be made from the employee's wages or salary for payment of membership dues in a labor union. Makes a nonsubstantive change.

(b) Defines "bona fide employees association."

SECTION 13. Amends Section 155.003(b), Local Government Code, to require the credit union or bona fide employees association, as defined by Section 155.001, rather than the credit union, labor union, or employees association, for whose benefit a deduction is made to pay any administrative costs for making the deduction.

SECTION 14. Repealer: Section 22.001 (Salary Deductions for Professional Dues), Education Code.

Repealer: Section 403.0165(k) (relating to requiring any state employee organization that has a membership of at least 4,000 state employee members on April 1, 1991, to be certified as an eligible state employee organization), Government Code.

SECTION 15. Effective date: September 1, 2025.