

STATE OF ALABAMA Department of Finance Office of the State Comptroller

100 North Union Street, Suite 220 Montgomery, Alabama 36130-2620

Telephone (334) 242-7050 Fax (334) 242-7466 www.comptroller.alabama.gov

Kay Ivey Governor

Clinton Carter Finance Director



Kathleen D. Baxter, PhD, CGFM, CPM State Comptroller

> Michael G. Hudson, CGFM Deputy State Comptroller

<u>M E M O R A N D U M</u>

TO: All State Employees

FROM: Kathleen D. Baxter

State Comptroller

DATE: June 20, 2018

RE: Payroll Deductions for Dues and Voluntary Contributions to Employee

Organizations

Section 36-1-4.4 of the *Code of Alabama*, 1975, provides for policy governing payroll deductions from employees' salaries to pay dues and voluntary contributions for employee organizations. The following requirements were set as policy and continue to govern this situation. This memorandum is to inform each state employee of the requirements mandated by law.

- 1. All payroll deduction for membership dues and voluntary contributions for employee associations shall be annual memberships.
- 2. The annual membership period is established as August 1 through July 31.
- 3. Termination of dues and voluntary contributions.
 - a. Dues An employee cannot stop a payroll deduction for dues to an employee organization **except during the last 10 WORKDAYS** in July. This notice of termination must be in writing and delivered to the appropriate payroll clerk in the employees' department.
 - b. Voluntary Contributions Voluntary contribution to an employee organization can be terminated by the employee <u>ONLY</u> by providing written notice to the appropriate payroll clerk in the employee's department. Termination of the deduction will become effective approximately 30 days after the Department receives the notice of termination.

- 4. Any employee may initiate a new authorization for deduction of either dues or voluntary contributions on a monthly basis during the year. Once the deduction commences, Section 3 of this memorandum apply regarding termination.
- 5. If an employee's service with the State terminates for any reason, the deduction will terminate with the last salary payment.
- 6. If, after an approved leave of absence or other temporary leave, an employee returns to employment with the State, deductions for dues and/or voluntary contributions will commence unless specifically revoked by the employee prior to reemployment.

NOTICE: All payroll deductions for dues or voluntary contributions for an organization will automatically terminate by operations of law if it is determined that the organization is not eligible to receive such payments through payroll deduction,