

# FINAL BILL REPORT

## ESHB 2025

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C 192 L 92  
*Synopsis As Enacted*

**Brief Description:** Permitting employee payroll deductions to be deposited into banks or savings banks.

By House Committee on State Government (originally sponsored by Representatives Brumsickle, Bowman, Rasmussen, Basich, Paris and Winsley).

House Committee on State Government  
House Committee on Appropriations  
Senate Committee on Governmental Operations

**Background:** Public officers and employees may authorize deductions from their wages and salaries for certain purposes. Examples of deductions which employees may authorize include payments toward parking fees, U.S. savings bonds, and employee organization dues. State employees may authorize a deduction for payment to a credit union, on two conditions: 1) the credit union is organized solely for public employees, and 2) a minimum number of state employees have authorized deductions for payment to that same credit union. There is no provision in the law which allows deductions for payments to banks, savings banks, or savings and loan associations.

**Summary:** State employees may authorize deductions for payments to banks, savings banks, and savings and loan associations if two conditions are met: 1) the financial institution is authorized to do business in this state, and 2) a minimum number of employees authorize deductions for payments to the same institution. A state agency may lower the minimum employee participation requirement if the agency so chooses. State employees may also authorize payments to credit unions, including ones not organized solely for public employees, and state agencies again have the option of lowering the minimum employee participation requirement.

Local government employees may authorize deductions for payments to credit unions, banks, savings banks, and savings and loan associations if two conditions are met: 1) the financial institution is authorized to do business in this state, and 2) 25 or more employees of a single local political subdivision authorize deductions for payments to the same institution. A local government agency may

establish a minimum participation requirement lower than 25 employees if the agency so chooses.

***Votes on Final Passage:***

House	97	0	
Senate	45	0	(Senate amended)
House			(House refused to concur)

Conference Committee

Senate	47	0
House	97	0

***Effective:*** June 11, 1992