



STATE OF OKLAHOMA  
OFFICE OF PERSONNEL MANAGEMENT

*"Serving Equal Opportunity Employers"*

**OPM 03-47**

**DATE:** December 31, 2003

**TO:** All Appointing Authorities

**FROM:** Oscar B. Jackson, Jr., Administrator and  
Cabinet Secretary of Human Resources and Administration

A handwritten signature in black ink, appearing to read "Oscar B. Jackson, Jr.", is placed over a light gray rectangular background.

**RE: Emergency Amendments to the Voluntary Payroll Deduction Rules**

Emergency amendments to the Voluntary Payroll Deduction (VPD) Rules were approved by the Governor and became effective December 19, 2003. The amendments were necessary to make the rules consistent with statutory changes made during the 2002 and 2003 Legislative Sessions. The amendments have been incorporated into the rules available on OPM's website at [http://www.opm.state.ok.us/Voluntary Payroll Deduction.rtf](http://www.opm.state.ok.us/Voluntary_Payroll_Deduction.rtf).

These emergency amendments include a new rule (530:15-3-16) implementing state law allowing approved product vendors access to state employees. To determine which organizations are subject to VPD Rule 530:15-3-16, state agencies may refer to the definition of "product vendor" in VPD Rule 530:15-1-2 and the list of organizations approved for voluntary payroll deduction status on OPM's website at: [http://www.opm.state.ok.us/html/admn-serv\\_org.htm](http://www.opm.state.ok.us/html/admn-serv_org.htm).

If there are questions please contact Marsha Reeder at (405) 521-2269 or [marsha.reeder@opm.state.ok.us](mailto:marsha.reeder@opm.state.ok.us), or Kimberlee Williams at (405) 522-1736 or [kimberlee.williams@opm.state.ok.us](mailto:kimberlee.williams@opm.state.ok.us).

Following is the text of the emergency amendments.

*"We serve the people of Oklahoma by delivering reliable and innovative human resource services to our partner agencies to achieve their missions."*

**TITLE 530. OFFICE OF PERSONNEL MANAGEMENT  
CHAPTER 15. VOLUNTARY PAYROLL DEDUCTION RULES**

**SUBCHAPTER 1. GENERAL PROVISIONS**

**530:15-1-1. Purpose**

The rules in this Chapter provide procedures for implementation of voluntary payroll deductions for employee association dues, employee association foundation contributions, payments to credit unions, payments to supplemental insurance and retirement plans, ~~and~~ payments to a college savings account, and subscriptions to Oklahoma Today magazine, as authorized for state employees by Section 7.10 of Title 62 of the **Oklahoma Statutes**. Other types of voluntary payroll deductions (such as those for salary adjustment agreements under subsection B(3) of Section 7.10, U.S. Savings Bonds or charitable gifts) are not addressed by the rules in this Chapter.

**530:15-1-2. Definitions**

The following words and terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Administrator"** means the chief administrative officer of the Office of Personnel Management, an officer of the State of Oklahoma appointed by the Governor pursuant to Section 840-1.6A of Title 74 of the **Oklahoma Statutes**, and authorized to establish procedures for administration of voluntary payroll deductions by Section 7.10. The term, as used in this Chapter, includes employees of the Office of Personnel Management to whom the Administrator has lawfully delegated authority to act on his or her behalf.

**"Appointing Authority"** means the chief administrative officer of an agency.

**"Complaint"** means a grievance with respect to any matter relevant to the Administrator's duties under Section 7.10.

**"Complainant"** means a person or an organization that has submitted a complaint.

**"Declaratory ruling"** means an explanation of a rule or order and its applicability to a particular matter.

**"Dues-paying"** means, with respect to a member of an employee association, the member is either currently paying dues or has provided a valid ~~and signed~~ authorization to have such dues withheld from pay and remitted to the association. [62:7.10(B)(4)]

**"Employee association"** means a formal and continuing affiliation of state employees with the principle objective of speaking for and benefiting their interests as employees, in which membership is restricted to state employees but unrestricted as to the geographic location of their duty stations, and which has at least 1,000 dues-paying members.

**"Member"** means:

- (A) with respect to a credit union, a shareholder; and
- (B) with respect to an employee association, a person who has sought and been granted recognition as one of those within the field of membership as defined by the association's governing instruments.

**"Participation"** means the total number of state employees reported to the Office of Personnel Management for which amounts withheld from pay for a given month were remitted pursuant to employee authorization to a single billing unit as identified by its Federal Employer (Tax) Identification Number.

**"Party"** means any person, employee association, credit union or insurance organization that is the subject of, or requests, action by the Administrator in connection with any matter relevant to the Administrator's duties under Section 7.10.

**"Product Vendor"** means any of the following entities approved for state employees' voluntary payroll deduction:

(A) an entity offering a supplemental retirement plan with a minimum participation of 500 state employees;

(B) a private insurance organization with a minimum participation of 500 state employees for supplemental life, accident, or health insurance;

(C) a private insurance organization with a minimum participation of 500 state employees for legal services;

(D) the Oklahoma Tourism and Recreation Department as publisher of Oklahoma Today magazine.

**"Provided for by the State"** means:

(A) for insurance purposes, the basic health, life, dental, or disability plan or any other such insurance a state agency is authorized to provide for its employees as evidenced by financial participation in those policies or a group policy(s) the agency has negotiated as a basic employment benefit; and

(B) for retirement purposes, any state retirement system, deferred compensation program (commonly referred to as deferred annuities), or other retirement plan(s) a state agency is authorized to provide for its employees as evidenced by financial participation in those plans.

**"Section 7.10"** means Section 7.10 of Title 62 of the **Oklahoma Statutes**.

**"State agency"** means any office, department, board, commission, or institution of the State of Oklahoma."

**"State employee"** means any employee of a state agency.

**"Supplemental"** means:

(A) for insurance purposes, life, accident (including income continuation during disability), legal, and health insurance policies not provided for by the State; and

(B) for retirement purposes, plans that provide retirement income benefits and are not provided for by the State.

In recognition of the powers conferred upon state institutions of higher education by Section 3905 of Title 70 of the **Oklahoma Statutes**, the Administrator will follow such institutions' decisions as to whether an insurance policy or retirement plan is a basic or a supplemental employee benefit.

### **SUBCHAPTER 3. ADMINISTRATIVE PROVISIONS**

#### **530:15-3-7.2. Dues for statewide educational employee organizations**

A statewide educational employee organization or association may request authorized payroll deduction status to allow instructional personnel of the Oklahoma School for the Blind or the Oklahoma School for the Deaf to pay membership dues

through voluntary payroll deduction. The request may be made by filing a completed Form VPD-1 with the Administrator.

**530:15-3-11. Subscriptions to Oklahoma Today magazine**

Subscriptions to "Oklahoma Today" magazine published by the Oklahoma Tourism and Recreation Department may be paid by voluntary payroll deduction at the request of any state employee.

**530:15-3-14. Procedure for requesting Voluntary Payroll Deduction**

(a) A request by a state employee for voluntary payroll deduction for the payment of premiums for supplemental life, accident, and health insurance, insurance premiums for legal services, premiums or payments for retirement plans, salary adjustment agreements included in the flexible benefits plan, contributions to the Oklahoma College Savings Plan, membership dues in any statewide educational organization or association, and subscriptions to the Oklahoma Today magazine, must be made in writing to the employing state agency. The request must include the employee's signature.

(b) A request by a state employee for voluntary payroll deduction for the payment of membership dues in an employee association may be made as described in Subsection (a) or may be made via online or electronically submitted forms. The employee association shall verify that the online or electronically submitted form accurately reflects the request of the state employee via email or another method approved by the Office of Personnel Management, and shall forward a copy of such verification and membership application to the employing agency for processing.

(c) All forms for employee requests for voluntary payroll deduction, whether paper or electronic format, shall include at a minimum the employee's name, Social Security number, the amount of the voluntary payroll deduction, the vendor's name, and if applicable, the approved policy form number.

**530:15-3-15. [RESERVED]**

**530:15-3-16. Product vendor access to state employees**

(a) State agencies shall allow product vendors reasonable access to their employees at least once each calendar year for the purpose of providing information about their products. For the purposes of this Section, "reasonable access" shall mean the granting of access within 1 year from the date of the request. Such access shall be allowed only during scheduled breaks or during periods immediately before or after normal work hours. For facilities that operate 24 hours a day, product vendors shall be allowed access to all shifts. Such access shall not disrupt or interfere with the business of the agency, and state funds shall not be utilized to accommodate such access. State agencies may allow such access upon request, or may designate specific dates and times for product vendor access and notify product vendors of the designated dates.

(b) Product vendors may provide information only on products approved for voluntary payroll deduction, and may not provide information on any other products or services.

(c) Product vendors shall identify 1 contact through which state agencies can arrange access. Product vendors shall provide the contact name, as well as a telephone number,

facsimile (fax) number, mailing address, and email address for the contact to the Office of Personnel Management. State agencies may request this information from the Office of Personnel Management for the purposes of facilitating vendor access. Product vendors shall be solely responsible for keeping such contact information current.

(d) Product vendors shall comply with all applicable laws, rules and policies of the state agencies they visit. Product vendors who fail to comply with laws, rules, or policies of the state agency after oral or written notification, or who cause a disruption to the business of the agency, may be denied access by the Appointing Authority to the employees of that state agency for 1 calendar year. Appointing Authorities shall give a product vendor notice and an opportunity to respond before making a decision to deny access.