



SNAPSHOT

Teacher Payroll Deductions for Professional Association Dues: The Law and Practice in Tennessee

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In 2011, the Tennessee General Assembly passed the Professional Educators Collaborative Conferencing Act (PECCA), which addresses how local school board management and representatives of professional school employees deliberate and establish agreements on employment conditions. The law restricts issues that school board management teams and teacher representatives can discuss during their collaborative conferencing meetings. Among the topics that PECCA prohibited was payroll deductions for “political activities.” Other voluntary payroll deductions – such as annual dues for professional employee organizations – are allowed and can be included in the collaborative conferencing agreements (known as memoranda of understanding or MOUs) reached by school board management and teacher representatives. If school board management and teacher representatives do not reach agreement, or do not engage in collaborative conferencing, employment provisions such as salaries, working conditions, and benefits (including payroll deductions) can be set by the school board through formal board policy.

In response to a legislative request, OREA administered a questionnaire in July 2021 to all Tennessee school districts to collect information on districts’ MOUs and payroll deduction policies and interviewed numerous school district officials and officials of organizations representing school boards, school superintendents, and state and local professional employee organizations.

Key Points

PECCA’s prohibition on collaboratively conferencing about “payroll deductions for political activities” applies only to districts that (a) engage in collaborative conferencing, (b) reach an agreement that is documented as an MOU, and (c) include a payroll deduction as a provision within the MOU. Common types of payroll deductions include insurance premiums, funds for credit union or other savings plan, charitable donations, and annual dues for professional employee organizations.

As of July 2021, about one-third of school districts were estimated to have a collaborative conferencing MOU agreement. About 19 percent of districts – 21 districts of the 111 for which information was available – had MOUs that included provisions for payroll deductions of professional association dues. A 2016 Tennessee Attorney General’s opinion stated that such dues, if deducted under an MOU, “may not be used to engage in or pay for political activity, including political communications, nor may they be used as contributions to an entity that engages in political activity.”

Legal interpretations of PECCA’s payroll deduction restrictions diverge. Some groups maintain that the payroll deduction restriction applies only when the MOU explicitly provides that the deduction is for political activity, while others opine that the restriction applies more broadly to include those circumstances when the payroll deduction is used to fund political activities indirectly and without a mention of “political activity” in the MOU.

A related issue stemming from the latter interpretation of PECCA is whether, once a payroll deduction provision is conferenced and agreed to in an MOU, the organization receiving funds from payroll deductions becomes responsible for how deductions subject to the political activity restriction are spent. PECCA does not include any requirements to separate payroll deduction monies that are subject to the restriction from monies that are not subject to the restriction.

To learn more about this study, see the full report at: tncot.cc/orea.