

By: Zedler

H.B. No. 1550

A BILL TO BE ENTITLED

AN ACT

relating to certain restrictions on the use of labor union dues;
providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 101, Labor Code, is amended by adding
Subchapter H to read as follows:

SUBCHAPTER H. RESTRICTION ON USE OF LABOR UNION DUES

Sec. 101.401. DEFINITIONS. In this subchapter:

(1) "Expenditure for a political purpose" includes money spent for issue advocacy, lobbying for legislation, participating in social and political events, soliciting contributions for political activities or candidates, political communications to members, voter registration, voter education, get-out-the-vote campaigns, and other political activities that do not bear on the ratification or implementation of a collective bargaining agreement.

(2) "Labor union" has the meaning assigned by Section 101.101.

Sec. 101.402. USE OF DUES FOR POLITICAL PURPOSES. (a) A labor union may not:

(1) require a member to make an expenditure for a political purpose as a condition of employment, a condition of contract, or a condition of membership in the labor union;

(2) reward or offer a benefit to a member who makes an

1 expenditure for a political purpose; or

2 (3) penalize or otherwise harm a member who chooses
3 not to make an expenditure for a political purpose.

4 (b) A labor union may not use any portion of dues or other
5 fees paid by a member of the labor union to make an expenditure for a
6 political purpose unless the labor union has obtained the written
7 authorization of the member as provided by Section 101.403.

8 (c) A labor union that uses any portion of dues or other fees
9 paid by a member of the labor union to make an expenditure for a
10 political purpose shall maintain records for the expenditures that
11 comply with the requirements of Section 101.404.

12 Sec. 101.403. WRITTEN AUTHORIZATION. (a) A member of a
13 labor union may execute a written authorization that permits the
14 labor union to use a portion of dues or fees paid by the member to
15 make an expenditure for a political purpose. The authorization
16 must be voluntary, written, and executed before the date the
17 expenditure is made.

18 (b) An authorization made under this section must clearly
19 state that the member is not required to execute the authorization
20 and that the member agrees to allow dues or fees paid by the member
21 to be used for a political purpose.

22 (c) The authorization must be signed by the member and
23 state:

24 (1) the name of the member;

25 (2) the name of the labor union;

26 (3) the total amount of the member's dues or fees that
27 may be used for a political purpose;

1 (4) the nature of the political purpose for which the
2 expenditure is to be made;

3 (5) the period for which the authorization is valid;
4 and

5 (6) the statement required by Subsection (d).

6 (d) The authorization must contain the following statement
7 immediately above the signature line for the authorization:

8 "Signing this authorization permits the labor union
9 designated above to use dues or other fees paid by me for the
10 political purpose or purposes specified in this authorization.
11 Political purposes include money spent for issue advocacy, lobbying
12 for legislation, participating in social and political events,
13 soliciting contributions for political activities or candidates,
14 political communications to members, voter registration, voter
15 education, get-out-the-vote campaigns, and other political
16 activities that do not bear on the ratification or implementation
17 of a collective bargaining agreement. My signature on this
18 authorization is voluntary."

19 (e) The period for which an authorization executed under
20 this section is valid may not exceed one year. The authorization
21 may be revoked in writing by the member who executed the
22 authorization at any time.

23 Sec. 101.404. DUTY TO MAINTAIN RECORDS. (a) A labor union
24 that makes an expenditure for a political purpose shall maintain a
25 recordkeeping system that separates accounts for money spent for
26 collective bargaining activities from accounts for money spent for
27 a political purpose.

1 (b) The labor union shall make a detailed annual report of
2 each account available to each member of the labor union. The
3 annual report must include detailed information describing the
4 manner in which labor dues and other fees are included in money
5 spent for a political purpose.

6 (c) A labor union subject to this section shall maintain
7 each authorization executed under Section 101.403 by a member of
8 the labor union at least until the 10th anniversary of the date the
9 authorization is executed.

10 Sec. 101.405. POSTED NOTICE. An employer whose employees
11 are represented by a collective bargaining agreement shall post a
12 notice in conspicuous places in the employer's place of business
13 informing employees that a labor union that accepts payment of fees
14 or dues from an employee must secure from the employee prior,
15 voluntary, written authorization if any portion of the fees or dues
16 will be used for a political purpose.

17 Sec. 101.406. LIABILITY. (a) A labor union that violates
18 this subchapter is liable to an affected member for:

19 (1) actual damages in the amount of the dues or fees
20 accepted or spent in violation of this subchapter;

21 (2) interest on the damages described under
22 Subdivision (1);

23 (3) attorney's fees and court costs; and

24 (4) other appropriate equitable relief.

25 (b) An action under this section may not be commenced after
26 the second anniversary of the date the member knew or should have
27 known that dues or fees were accepted or spent in violation of this

1 subchapter.

2 (c) Venue for a suit under this section is in:

3 (1) the county in which the violation is alleged to
4 have occurred; or

5 (2) the county in which a defendant resides.

6 Sec. 101.407. CIVIL PENALTY. (a) A labor union that
7 violates this subchapter is liable for a civil penalty not to exceed
8 \$1,000 for each violation.

9 (b) A suit to recover the civil penalty may be brought by the
10 attorney general or by a county, district, or criminal district
11 attorney.

12 (c) A civil penalty recovered under this section shall be
13 deposited:

14 (1) in the state treasury if the attorney general
15 brings the suit; or

16 (2) in the general fund of the county in which the
17 violation occurred if a district attorney, criminal district
18 attorney, or county attorney brings the suit.

19 Sec. 101.408. CRIMINAL OFFENSE. (a) An officer of a labor
20 union commits an offense if the officer violates this subchapter.

21 (b) An offense under this section is a Class B misdemeanor.

22 SECTION 2. This Act takes effect January 1, 2004.