## **BILL ANALYSIS**

Senate Research Center 85R10303 JTS-F C.S.S.B. 13 By: Huffman et al. State Affairs 2/16/2017 Committee Report (Substituted)

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Even though Texas is a "right-to-work" state, public employees may currently authorize one or more monthly deductions from their salary or wages to pay membership fees to eligible employee organizations, which may include an association, union, or other organization that advocates the interests of employees. In recent years, several other states have prohibited the automatic deduction of union dues from public workers' paychecks.

In fact, Texas is now only one of a handful of states that still collects union dues from the paychecks of its public employees. There is nothing wrong with public or private sector employees voluntarily joining unions to engage in collective bargaining and discuss employment.

However, most states have chosen to eliminate the practice of collecting dues from the paychecks of public employees largely in part because the government should have no official role in the affairs of any trade union, labor union, employees' association, or professional association. C.S.S.B. 13 does not prohibit any public employee from forming or joining a trade union, labor union, employees' association, or professional association; nor expressing themselves under the First Amendment.

Under C.S.S.B. 13, state, county, and municipal employers are prohibited from directly collecting union dues from employee paychecks with exceptions for state, county, and municipal fire, police, and emergency medical services employees.

C.S.S.B. 13 amends current law relating to payroll deductions for state and local government employee organizations.

## **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas comptroller of public accounts is modified in SECTION 3 (Section 403.0165, Government Code) of this bill.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 12.013(b), Education Code, to provide that a home-rule school district is subject to a prohibition, restriction, or requirement imposed by this title or a rule adopted under this title relating to educator certification under Chapter 21 (Educators) and educator rights under Section 21.407 (Requiring or Coercing Teachers to Join Groups, Clubs, Committees, or Organizations: Political Affairs) and 21.408 (Right to Join or Not to Join Professional Association), rather than under Section 21.407, 21.408, and 22.001 (Salary Deductions for Professional Dues).

SECTION 2. Amends the heading to Section 403.0165, Government Code, to read as follows:

Sec. 403.0165. PAYROLL DEDUCTION FOR STATE EMPLOYEE ORGANIZATION: CERTAIN FIREFIGHTERS, POLICE OFFICERS, AND EMERGENCY MEDICAL SERVICES PERSONNEL.

SECTION 3. Amends Sections 403.0165(a), (b), (c), and (d), Government Code, as follows:

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(a) Authorizes a covered employee, rather than an employee, of a state agency to authorize a transfer each pay period from the employee's salary or wage payment for a membership fee in an eligible state employee organization. Requires the authorization to remain in effect until the employee, rather than an employee, authorizes differently.

(b) Requires the comptroller of public accounts of the State of Texas (comptroller) to adopt rules for transfers by covered employees, rather than by employees. Authorizes the rules to authorize electronic transfers of amounts deducted from covered employees', rather than employees', salaries and wages.

(c) Provides that participation by covered employees, rather than by employees, of state agencies in the payroll deduction program authorized by this section is voluntary.

(d) Requires a state employee organization to have a current dues structure for covered state employees, rather than for state employees, in place for at least 18 months for the state employee organization to be certified by the comptroller.

SECTION 4. Amends Section 403.0165(1), Government Code, by adding Subdivision (3) to define "covered employee of a state agency."

SECTION 5. Amends the heading to Chapter 617, Government Code, to read as follows:

CHAPTER 617. COLLECTIVE BARGAINING, STRIKES, AND PAYROLL DEDUCTIONS

SECTION 6. Amends Chapter 617, Government Code, by adding Section 617.006, as follows:

Sec 617.006. PROHIBITION ON COLLECTION OF LABOR ORGANIZATION DUES. (a) Prohibits the state or a political subdivision of the state, except as provided by Subsection (b), from deducting or withholding, or contracting to deduct or withhold, from an employee's salary or wages payment of dues or membership fees to a labor organization or certain other similar entities.

(b) Provides that Subsection (a) does not apply to deductions or withholdings by a state agency under Section 403.0165 or 659.1031 (Deduction of Membership Fees for Eligible State Employee Organizations); or a political subdivision under Section 141.008 (Payroll Deductions in Certain Municipalities) or 155.001(a)(2) (relating to authorizing payroll deductions for payment of certain dues), Local Government Code; or under the terms of an agreement entered into under Subchapter B (Local Control of Police Officer Employment Matters in Certain Municipalities) or C (Local Control of Firefighter Employment Matters in Certain Municipalities), Chapter 142 (Assistance, Benefits, and Working Conditions of Municipal Officers and Employees), Local Government Code, or Chapter 174 (Fire and Police Employee Relations), Local Government Code.

(c) Provides that Subsection (a) does not affect the ability of the state or a political subdivision of the state to deduct or withhold from an employee's salary or wages an amount for donation to a charitable organization determined eligible for participation in the state employee charitable campaign under Subchapter I (Charitable Contributions), Chapter 659 (Compensation).

SECTION 7. Amends Section 659.1031(a), Government Code, to authorize an employee of a state agency employed in a professional law enforcement capacity to authorize a deduction for payment of a membership fee to an eligible state employee organization, rather than authorizing an employee of a state agency to authorize a deduction for payment of a membership fee to an eligible state employee organization.

SECTION 8. Amends the heading to Section 141.008, Local Government Code, to read as follows:

Sec. 141.008. PAYROLL DEDUCTIONS FOR CERTAIN MUNICIPAL FIREFIGHTERS, POLICE OFFICERS, AND EMERGENCY MEDICAL SERVICES PERSONNEL.

SECTION 9. Amends Section 141.008, Local Government Code, by amending Subsections (a), (a-1), and (a-2) and adding Subsection (a-3), as follows:

(a) Provides that this section applies only to a municipal employee who is a member of the municipality's fire or police department, or who is emergency medical services personnel, as defined by Section 773.003 (Definitions), Health and Safety Code.

(a-1) Redesignates existing Subsection (a) as Subsection (a-1). Makes no further changes to this subsection.

(a-2) Redesignates existing Subsection (a-1) as Subsection (a-2). Requires the governing body of a municipality to make the payroll deduction described by Subsection (a-1) if requested in writing by an employee who is a member of the municipality's fire department or emergency medical services personnel, if the municipality receives state revenue and permits certain deductions. Deletes existing text requiring the governing body to make the payroll deduction described by Subsection (a) if requested in writing by employees who are fire protection personnel as defined by Section 419.021 (Definitions), Government Code, if the municipality receives state revenue and if the municipality permits certain deductions.

(a-3) Redesignates existing Subsection (a-2) as Subsection (a-3). Requires the governing body of a municipality whose police department is not covered by a collective bargaining agreement or meet and confer agreement entered into under this code to make the payroll deduction described by Subsection (a-1) if requested in writing by an employee who is a member of the municipality's police department, rather than requiring the governing body to make the payroll deduction described by Subsection (a) if requested in writing by employees who are certain peace officers and who are not members of a police department covered by certain agreements.

SECTION 10. Amends Section 146.002(2), Local Government Code, to redefine "employee association."

SECTION 11. Amends Section 146.003, Local Government Code, by adding Subsection (e), to provide that this chapter (Local Control of Municipal Employment Matters in Certain Municipalities) does not authorize an agreement for deducting or withholding payment of dues, fees, or contributions to a labor organization or certain other similar entities in violation of Section 617.006, Government Code.

SECTION 12. Amends Section 146.017, Local Government Code, as follows:

Sec. 146.017. AGREEMENT SUPERSEDES CONFLICTING PROVISIONS. (a) Creates this subsection from existing text. Creates an exception as provided by Subsection (b).

(b) Prohibits a written meet and confer agreement ratified under this chapter from conflicting with or preempting Section 617.006, Government Code.

SECTION 13. Amends Section 155.001(a), Local Government Code, as follows:

(a) Authorizes the commissioners court of a county, on the request of a county employee, to authorize a payroll deduction to be made from the employee's wages or salary for:

(1) makes no changes to this subdivision;

(2) payment of membership dues in a labor union or an employees association if the requesting employee serves in a professional law enforcement or firefighting capacity, or in a capacity that meets the definition of "emergency medical services personnel" as defined by Section 773.003, Health and Safety Code;

(3) and (4) makes no changes to these subdivisions; or

(5) payment relating to an item not listed in this subsection if the commissioners court determines that the payment serves a public purpose, unless the deduction would violate another law, including Section 617.006, Government Code.

SECTION 14. Repealer: Section 22.001 (Salary Deductions for Professional Dues), Education Code.

SECTION 15. Effective date: September 1, 2017.