87R2426 SMT-D

By:  Patterson H.B. No. 540

A BILL TO BE ENTITLED

AN ACT

relating to the authority of a municipality or county to require a labor peace agreement as a condition of engaging in a commercial transaction with the municipality or county.

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

SECTION 1.  Subchapter Z, Chapter 271, Local Government Code, is amended by adding Section 271.909 to read as follows:

Sec. 271.909.  PROHIBITION ON LABOR PEACE AGREEMENTS. (a) In this section, "labor peace agreement" means any agreement between a person and the employees of the person or an entity that represents or seeks to represent those employees that limits or otherwise interferes with the rights of the person under federal labor law.

(b)  A municipality or county may not adopt or enforce an ordinance, order, or other measure that requires a person to enter into a labor peace agreement or to waive or limit any right of the person under federal labor law as a condition of:

(1)  being considered for or awarded a contract; or

(2)  otherwise engaging in a commercial transaction with the municipality or county.

SECTION 2.  The change in law made by this Act applies only to a contract entered into or renewed on or after the effective date of this Act.

SECTION 3.  This Act takes effect September 1, 2021.