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CONTRIBUTION DISCLOSURE ACT FOR UNIONS

House Bill 4252

Sponsor: Rep. Robert Gosselin

Committee: Employment Relations,
Training and Safety

Complete to 4-10-01

A SUMMARY OF HOUSE BILL 4252 AS INTRODUCED 2-15-01

House Bill 4252 would create a new act to be known as the Contribution Disclosure Act, to require labor unions to obtain an individual's written authorization, on a specified form, before using dues or fees for political, ideological, social, charitable events or other activities that are not collective bargaining, contract administration, or grievance processing. The act also would impose certain duties on the Department of Consumer and Industry Services, and provide for penalties if provisions of the act were violated.

Dues expenditure prohibition without annual authorization. The bill specifies that a labor organization that accepted payment of dues or fees from an individual as a condition of that individual's employment, in accordance with a collective bargaining agreement or other agreement authorized by law, could not expend any portion of those dues or fees for the purposes cited above, or for lobbying and organizing employees of other employers, unless the organization had obtained the individual's written authorization on a written authorization form, at least once each calendar year.

Written authorization form. The bill specifies the language of the written authorization form, and would require that it be printed using at least 12-point print. The form would read as follows:

A labor organization may solicit and obtain funds from you for political, ideological, social, or charitable events or activities; lobbying for legislation; organizing employees of other employers; or, other activities that are not collective bargaining, contract administration, or grievance processing on an automatic basis, including but not limited to a payroll deduction plan, only if you affirmatively consent in writing to the contribution at least once every calendar year.

Your dues or fees for membership in, or union representation from, the _____ are _____ dollars and _____ cents (\$_____) for the year beginning _____ and ending _____ dollars and _____ cents (\$_____, or _____%) of your dues or fees may be used for political, ideological, social, or charitable events or activities, lobbying for legislation, organizing employees of other employers, or other activities that are not collective bargaining, contract administration, or grievance processing only if you voluntarily consent below.

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Under state and federal law, you do not have to pay this amount. This amount will be subtracted from the dues or fees you owe if you do not sign this form to have your dues or fees used for organizing employees of other employers, lobbying, or participating in political, social, charitable, or other ideological activities that are not related to collective bargaining, contract administration, or grievance processing.

I, _____, voluntarily authorize _____ to use \$_____ (_____%) of my dues or fees for political, ideological, social, or charitable events or activities, lobbying for legislation, organizing employees of other employers, or other activities that are not collective bargaining, contract administration, or grievance processing.

Employee signature Date

cc: Your Employer
Your Union President

Duties of Department of Consumer and Industry Services. Under the bill, the department would be required to prepare and make available to a labor organization upon its request, the written authorization form contained in the bill.

Double penalties; fees and costs. If a labor organization expended all or a portion of an individual's dues or fees for the purposes noted above, and had not obtained an individual's signature on a written authorization form, the organization would be liable to the individual for double all of the following, plus reasonable attorney fees and costs: a) the amount of dues or fees that were collected from the individual without the individual's express consent on a written authorization form; and, b) interest at the lawful rate. In addition to awarding money damages, the bill specifies that a court could award equitable relief to an individual injured by a violation of the act.

Definitions. The bill would define "labor organization" to mean that term as defined in section 2 of Public Act 176 of 1939 (MCL 423.2). [This law, which governs labor disputes and employment relations, defines "labor organization" to mean any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.] Further, the bill would define "written authorization form" to mean a document described in the bill that is signed by an individual who is required to pay dues or fees to a labor organization under a collective bargaining agreement or other agreement authorized by law.

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.