

Union Calendar No. 231

105TH CONGRESS
1ST Session

H. R. 1625

[Report No. 105-397]

A BILL

To ensure that workers have sufficient information about their rights regarding the payment of dues or fees to labor organizations and the uses of employee dues and fees by labor organizations.

NOVEMBER 8, 1997

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

Union Calendar No. 231

105TH CONGRESS
1ST SESSION

H. R. 1625

[Report No. 105-397]

To ensure that workers have sufficient information about their rights regarding the payment of dues or fees to labor organizations and the uses of employee dues and fees by labor organizations.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 1997

Mr. FAWELL (for himself, Mr. GINGRICH, Mr. ARMEY, Mr. BOEHNER, Ms. MOLINARI, Mr. GOODLING, Mr. BALLENGER, Mr. BARRETT of Nebraska, Mr. McKEON, Mr. KNOLLENBERG, Mr. RIGGS, Mr. GRAHAM, Mr. McINTOSH, Mr. NORWOOD, Mr. PETERSON of Pennsylvania, Mr. DEAL of Georgia, Mr. HILLEARY, Mr. PAXON, Mr. WATTS of Oklahoma, Mr. HERGER, Mr. HEFLEY, Mr. SNOWBARGER, Mrs. FOWLER, Mrs. MYRICK, Ms. DUNN, Mr. HAYWORTH, and Mr. SKEEN) introduced the following bill; which was referred to the Committee on Education and the Workforce

NOVEMBER 8, 1997

Additional sponsors: Mr. GREENWOOD, Ms. PRYCE of Ohio, Mr. SAM JOHNSON of Texas, Mr. MILLER of Florida, Mr. KOLBE, Mr. DELAY, Mr. GIBBONS, Mr. NETHERCUTT, Mr. COOK, Mrs. NORTHUP, Mr. BURR of North Carolina, Mr. SESSIONS, Mr. BACHUS, Mr. PARKER, Mr. COOKSEY, Mr. DICKEY, Mr. CUNNINGHAM, Mr. MCCOLLUM, Mr. CALVERT, Mr. CAMPBELL, Mr. CANADY of Florida, Mr. BEREUTER, Mr. BOB SCHAFER of Colorado, Mr. HUNTER, Mr. MANZULLO, Mr. PACKARD, Ms. GRANGER, Mr. LINDER, Mr. COLLINS, Mr. HASTERT, Mr. BONO, Mr. GALLEGLY, Mr. ROHRBACHER, Mr. TALENT, Mr. PORTER, Mr. SCARBOROUGH, Mr. SOUDER, Mr. GOSS, Mr. COX of California, Mr. WAMP, Mr. SMITH of Michigan, Mr. SMITH of Oregon, Mr. SMITH of Texas, Mr. FOX of Pennsylvania, Mr. UPTON, Mr. CHRISTENSEN, Mr. PITTS, Mr. GANSKE, Mr. JONES, Mr. HANSEN, Mr. STUMP, Mr. BUNNING, Mr. TAUZIN, Mr. BAKER, Mr. SHUSTER, Mr. EHRLICH, Mr. COBLE, Mr. OXLEY, Mr. HYDE, Mr. SPENCE, Mr. INGLIS of South Carolina, Mr. BLILEY, Mr. WHITE, Mr. ARCHER, Mr. LARGENT, Mr. SENSENBRENNER, Mr.

DREIER, Mr. BASS, Mr. CRANE, Mr. BONILLA, Mr. BARTON of Texas, Mrs. CHENOWETH, Mr. BATEMAN, Mr. DOOLITTLE, Mr. HUTCHINSON, Mr. TAYLOR of North Carolina, Mr. ISTOOK, Mr. BRADY, Mr. CHABOT, Mr. BURTON of Indiana, Mr. CANNON, Mr. MICA, Mr. McCRERY, Mr. McINNIS, and Mr. BRYANT

NOVEMBER 8, 1997

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on May 15, 1997]

A BILL

To ensure that workers have sufficient information about their rights regarding the payment of dues or fees to labor organizations and the uses of employee dues and fees by labor organizations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Worker Paycheck Fair-*
5 *ness Act”.*

6 **SEC. 2. FINDINGS.**

7 *The Congress finds the following:*

8 *(1) Workers who pay dues or fees to a labor or-*
9 *ganization may not, as a matter of law, be required*
10 *to pay to that organization any dues or fees support-*
11 *ing activities that are not necessary to performing the*
12 *duties of the exclusive representative of the employees*

1 *in dealing with the employer on labor-management*
2 *issues.*

3 *(2) Many labor organizations use portions of the*
4 *dues or fees they collect from the workers they rep-*
5 *resent for activities that are not necessary to perform-*
6 *ing the duties of the exclusive representative of the*
7 *employees in dealing with the employer on labor-*
8 *management issues. These dues may be used to sup-*
9 *port political, social, or charitable causes or many*
10 *other noncollective bargaining activities. Unfortu-*
11 *nately, many workers who pay such dues or fees have*
12 *insufficient information both about their rights re-*
13 *garding the payment of dues or fees to a labor organi-*
14 *zation and about how labor organizations spend em-*
15 *ployee dues or fees.*

16 *(3) It is a fundamental tenet of this Nation that*
17 *all men and women have a right to make individual*
18 *and informed choices about the political, social, or*
19 *charitable causes they support, and the law should*
20 *protect that right to the greatest extent possible.*

21 **SEC. 3. PURPOSE.**

22 *The purpose of this Act is to ensure that all workers*
23 *have sufficient information about their rights regarding the*
24 *payment of dues or fees to labor organizations and the uses*
25 *of employee dues and fees by labor organizations and that*

1 *the right of all workers to make individual and informed*
2 *choices about the political, social, or charitable causes they*
3 *support is protected to the greatest extent possible.*

4 **SEC. 4. WRITTEN CONSENT.**

5 (a) *IN GENERAL.*—

6 (1) *AUTHORIZATION.*—*A labor organization ac-*
7 *cepting payment of any dues or fees from an em-*
8 *ployee as a condition of employment pursuant to an*
9 *agreement authorized by Federal law must secure*
10 *from each employee prior, voluntary, written author-*
11 *ization for any portion of such dues or fees which will*
12 *be used for activities not necessary to performing the*
13 *duties of the exclusive representative of the employees*
14 *in dealing with the employer on labor-management*
15 *issues.*

16 (2) *REQUIREMENTS.*—*Such written authoriza-*
17 *tion shall clearly state that an employee may not be*
18 *required to provide such authorization and that if*
19 *such authorization is provided, the employee agrees to*
20 *allow any dues or fees paid to the labor organization*
21 *to be used for activities which are not necessary to*
22 *performing the duties of exclusive representation and*
23 *which may be political, social, or charitable in na-*
24 *ture.*

1 (b) *REVOCATION.*—An authorization described in sub-
2 section (a) shall remain in effect until revoked. Such revoca-
3 tion shall be effective upon 30 days written notice.

4 (c) *CIVIL ACTION BY EMPLOYEES.*—

5 (1) *LIABILITY.*—Any labor organization which
6 violates this section or section 7 shall be liable to the
7 affected employee—

8 (A) for damages equal to—

9 (i) the amount of the dues or fees ac-
10 cepted in violation of this section;

11 (ii) the interest on the amount de-
12 scribed in clause (i) calculated at the pre-
13 vailing rate; and

14 (iii) an additional amount as liq-
15 uidated damages equal to the sum of the
16 amount described in clause (i) and the in-
17 terest described in clause (ii); and

18 (B) for such equitable relief as may be ap-
19 propriate.

20 (2) *RIGHT OF ACTION.*—An action to recover the
21 damages or equitable relief prescribed in paragraph
22 (1) may be maintained against any labor organiza-
23 tion in any Federal or State court of competent juris-
24 diction by any one or more employees for and in be-
25 half of—

1 (A) the employees; or

2 (B) the employees and other employees simi-
3 larly situated.

4 (3) *FEEES AND COSTS.*—*The court in such action*
5 *shall, in addition to any judgment awarded to the*
6 *plaintiff, allow a reasonable attorney’s fee, reasonable*
7 *expert witness fees, and other costs of the action to be*
8 *paid by the defendant.*

9 (4) *LIMITATION.*—*An action may be brought*
10 *under this subsection not later than 2 years after the*
11 *date the employee knew or should have known that*
12 *dues or fees were accepted or spent by a labor organi-*
13 *zation in violation of this Act, except that such period*
14 *shall be extended to 3 years in the case of a willful*
15 *violation.*

16 **SEC. 5. NOTICE.**

17 *An employer whose employees are represented by a col-*
18 *lective bargaining representative shall be required to post*
19 *a notice, of such size and in such form as the Department*
20 *of Labor shall prescribe, in conspicuous places in and about*
21 *its plants and offices, including all places where notices to*
22 *employees are customarily posted, informing employees that*
23 *any labor organization accepting payment of any dues or*
24 *fees from an employee as a condition of employment pursu-*
25 *ant to an agreement authorized by Federal law must secure*

1 *from each employee prior, written authorization if any por-*
 2 *tion of such dues or fees will be used for activities not nec-*
 3 *essary to performing the duties of the exclusive representa-*
 4 *tive of the employees in dealing with the employer on labor-*
 5 *management issues.*

6 **SEC. 6. DISCLOSURE TO WORKERS.**

7 (a) *EXPENSES REPORTING.*—Section 201(b) of the
 8 *Labor-Management Reporting and Disclosure Act of 1959*
 9 *is amended by adding at the end the following new sentence:*
 10 *“Every labor organization shall be required to attribute and*
 11 *report expenses in such detail as necessary to allow mem-*
 12 *bers to determine whether such expenses were necessary to*
 13 *performing the duties of the exclusive representative of the*
 14 *employees in dealing with the employer on labor-manage-*
 15 *ment issues.”*

16 (b) *DISCLOSURE.*—Section 201(c) of the *Labor-Man-*
 17 *agement Reporting and Disclosure Act of 1959* is amend-
 18 *ed—*

19 (1) by inserting “and employees required to pay
 20 any dues or fees to such organization” after “mem-
 21 bers”; and

22 (2) inserting “or employee required to pay any
 23 dues or fees to such organization” after “member”
 24 each place it appears.

1 (c) *WRITTEN REQUESTS.*—Section 205(b) of the
2 *Labor-Management Reporting and Disclosure Act of 1959*
3 *is amended by adding at the end the following new sentence:*
4 *“Upon written request, the Secretary shall make available*
5 *complete copies of any report or other document filed pursu-*
6 *ant to section 201.”.*

7 **SEC. 7. RETALIATION AND COERCION PROHIBITED.**

8 *It shall be unlawful for any labor organization to co-*
9 *erce, intimidate, threaten, interfere with, or retaliate*
10 *against any employee in the exercise of, or on account of*
11 *having exercised, any right granted or protected by this Act.*

12 **SEC. 8. REGULATIONS.**

13 *The Secretary of Labor shall prescribe such regulations*
14 *as are necessary to carry out the amendments made by sec-*
15 *tion 5 not later than 60 days after the enactment of this*
16 *Act and shall prescribe such regulations as are necessary*
17 *to carry out the amendments made by section 6 not later*
18 *than 120 days after the enactment of this Act.*

19 **SEC. 9. EFFECTIVE DATE AND APPLICATION.**

20 *This Act shall be effective immediately upon enact-*
21 *ment, except that sections 4 and 5 pertaining to worker con-*
22 *sent and notice shall take effect 90 days after enactment*
23 *and section 6 pertaining to disclosure shall take effect 150*
24 *days after enactment.*