

105TH CONGRESS
2D SESSION

H. R. 3397

To require an employer which is subject to the Worker Adjustment and Retraining Notification Act and who gives a notice of a plant closing to negotiate in good faith regarding possible means of using the plant and equipment for continued employment, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 5, 1998

Mr. OBEY introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require an employer which is subject to the Worker Adjustment and Retraining Notification Act and who gives a notice of a plant closing to negotiate in good faith regarding possible means of using the plant and equipment for continued employment, and for other purposes.

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 “Corporate Good Citi-
5 zenship Contract Act of 1998”.

1 **SEC. 2. REQUIREMENT FOR NEGOTIATION.**

2 (a) IN GENERAL.—An employer which is subject to
3 the Worker Adjustment and Retraining Notification Act
4 (29 U.S.C. 2101 et seq.), which intends to permanently
5 shut down a site of employment, and which serves or is
6 required to serve a written notice of the closing of such
7 site in accordance with section 3 of such Act (29 U.S.C.
8 2102) shall, beginning not more than 10 days after the
9 date the employer is required to serve such notice, agree
10 to negotiate in good faith with—

11 (1) any union representing the employees in
12 such plant or if there is not such a union, a commit-
13 tee selected by such employees to represent their in-
14 terests, and

15 (2)(A) a committee of public officials and rep-
16 resentatives of employees in the plant and residents
17 of the community in which the plant is located des-
18 igned by the government of the political subdivi-
19 sion in which such plant is located, or

20 (B) if no such committee is designated, the
21 chief elected officer of such government,
22 regarding possible means of using all or part of the build-
23 ing and equipment of such plant to provide continued em-
24 ployment in the area in which the plant is located.

25 (b) SALE.—If as a result of a negotiation under sub-
26 section (a), the union or other representative of employees,

1 the committee if designated, or the chief elected officer
2 if no committee is designated, requests, within 180 days
3 of the date of beginning of negotiations under subsection
4 (a), the employer to sell all or part of the building and
5 equipment of the plant to be closed to a buyer who is able
6 and willing to use the building or equipment to provide
7 employment either at the plant site or at another location
8 within the affected county or metropolitan statistical area,
9 the employer shall, beginning within 90 days of the date
10 of the request, engage in good faith negotiations to sell
11 all or part of the building or equipment, or both, to such
12 buyer for that purpose.

13 **SEC. 3. SANCTION.**

14 (a) COMPLAINT.—Any employee of an employer who
15 is subject to section 2 may complain to the Secretary of
16 Labor that the employer is not negotiating in good faith
17 as required by subsection (a) or (b) of section 2.

18 (b) TAX DEDUCTION.—If the Secretary of Labor de-
19 termines on the basis of a complaint filed under subsection
20 (a) that an employer did not enter into good faith negotia-
21 tions as required by section 2(a) with any party designated
22 in that section expressing an interest in undertaking such
23 negotiation or did not enter into good faith negotiations
24 to sell all or part of a building or equipment to a willing
25 and able purchaser as required by section 2(b), or both,

1 such employer, and any person affiliated with the em-
2 ployer, may not take a deduction from Federal taxes for
3 depreciation (or amortization) for any plant and equip-
4 ment of the employer placed in service during the 10-year
5 period beginning on first day of the calendar year in which
6 the notice under section 3 of such Act is required to be
7 made.

8 **SEC. 4. EFFECTIVE DATE.**

9 This Act shall apply with respect to any plant which
10 is closed after March 5, 1998 or for which a notice of
11 closure under section 3 of the Worker Adjustment and Re-
12 training Notification Act was pending as of such date. If
13 a notice has been served for a plant under section 3 of
14 such Act before such date, the negotiations required by
15 section 2(a) with respect to such plant shall begin within
16 10 days of the date of the enactment of this Act.

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