

Union Calendar No. 573

106TH CONGRESS
2^D SESSION

H. R. 2434

[Report No. 106-968]

To require labor organizations to secure prior, voluntary, written authorization as a condition of using any portion of dues or fees for activities not necessary to performing duties relating to the representation of employees in dealing with the employer on labor-management issues, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JULY 1, 1999

Mr. GOODLING (for himself, Mr. BALLENGER, Mr. BOEHNER, Mr. HOEKSTRA, Mr. SAM JOHNSON of Texas, Mr. TALENT, Mr. GREENWOOD, Mr. GRAHAM, Mr. SOUDER, Mr. MCINTOSH, Mr. NORWOOD, Mr. SCHAFER, Mr. DEAL of Georgia, Mr. HILLEARY, Mr. SALMON, Mr. TANCREDO, Mr. FLETCHER, Mr. DEMINT, and Mr. ISAKSON) introduced the following bill; which was referred to the Committee on Education and the Workforce

OCTOBER 11, 2000

Additional sponsors: Mr. BARRETT of Nebraska, Mr. BLILEY, Mr. LEWIS of Kentucky, Mr. NETHERCUTT, Mr. HEFLEY, and Ms. PRYCE of Ohio

OCTOBER 11, 2000

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To require labor organizations to secure prior, voluntary, written authorization as a condition of using any portion

of dues or fees for activities not necessary to performing duties relating to the representation of employees in dealing with the employer on labor-management issues, 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 “Worker Paycheck Fair-
 5 ness Act of 1999”.

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 sup-
 11 porting activities that are not necessary to per-
 12 forming the duties of the exclusive representative of
 13 the employees in dealing with the employer on labor-
 14 management issues.

15 (2) Many labor organizations use portions of
 16 the dues or fees they collect from the workers they
 17 represent for activities that are not necessary to per-
 18 forming the duties of the exclusive representative of
 19 the employees in dealing with the employer on labor-
 20 management issues. These dues may be used to sup-
 21 port political, social, or charitable causes or many
 22 other noncollective bargaining activities. Unfortu-

1 nately, many workers who pay such dues or fees
2 have insufficient information both about their rights
3 regarding the payment of dues or fees to a labor or-
4 ganization and about how labor organizations spend
5 employee dues or fees.

6 (3) It is a fundamental tenet of this Nation
7 that all men and women have a right to make indi-
8 vidual and informed choices about the political, so-
9 cial, or charitable causes they support, and the law
10 should protect that right to the greatest extent pos-
11 sible.

12 **SEC. 3. PURPOSE.**

13 The purpose of this Act is to ensure that all workers
14 have sufficient information about their rights regarding
15 the payment of dues or fees to labor organizations and
16 the uses of employee dues and fees by labor organizations
17 and that the right of all workers to make individual and
18 informed choices about the political, social, or charitable
19 causes they support is protected to the greatest extent pos-
20 sible.

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

22 (a) IN GENERAL.—

23 (1) AUTHORIZATION.—A labor organization ac-
24 cepting payment of any dues or fees from an em-
25 ployee as a condition of employment pursuant to an

1 agreement authorized by Federal law must secure
2 from each employee prior, voluntary, written author-
3 ization for any portion of such dues or fees which
4 will be used for activities not necessary to per-
5 forming the duties of the exclusive representative of
6 the employees in dealing with the employer on labor-
7 management issues.

8 (2) REQUIREMENTS.—Such written authoriza-
9 tion shall clearly state that an employee may not be
10 required to provide such authorization and that if
11 such authorization is provided, the employee agrees
12 to allow any dues or fees paid to the labor organiza-
13 tion to be used for activities which are not necessary
14 to performing the duties of exclusive representation
15 and which may be political, social, or charitable in
16 nature.

17 (b) REVOCATION.—An authorization described in
18 subsection (a) shall remain in effect until revoked. Such
19 revocation shall be effective upon 30 days written notice.

20 (c) CIVIL ACTION BY EMPLOYEES.—

21 (1) LIABILITY.—Any labor organization which
22 violates this section or section 7 shall be liable to the
23 affected employee—

24 (A) for damages equal to—

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

3 (ii) the interest on the amount de-
4 scribed in clause (i) calculated at the pre-
5 vailing rate; and

6 (iii) an additional amount as liq-
7 uidated damages equal to the sum of the
8 amount described in clause (i) and the in-
9 terest described in clause (ii); and

10 (B) for such equitable relief as may be ap-
11 propriate.

12 (2) RIGHT OF ACTION.—An action to recover
13 the damages or equitable relief prescribed in para-
14 graph (1) may be maintained against any labor or-
15 ganization in any Federal or State court of com-
16 petent jurisdiction by any one or more employees for
17 and in behalf of—

18 (A) the employees; or

19 (B) the employees and other employees
20 similarly situated.

21 (3) FEES AND COSTS.—The court in such ac-
22 tion shall, in addition to any judgment awarded to
23 the plaintiff, allow a reasonable attorney's fee, rea-
24 sonable expert witness fees, and other costs of the
25 action to be paid by the defendant.

1 (4) LIMITATION.—An action may be brought
2 under this subsection not later than 2 years after
3 the date the employee knew or should have known
4 that dues or fees were accepted or spent by a labor
5 organization in violation of this Act, except that
6 such period shall be extended to 3 years in the case
7 of a willful violation.

8 **SEC. 5. NOTICE.**

9 An employer whose employees are represented by a
10 collective bargaining representative shall be required to
11 post a notice, of such size and in such form as the Depart-
12 ment of Labor shall prescribe, in conspicuous places in
13 and about its plants and offices, including all places where
14 notices to employees are customarily posted, informing
15 employees that any labor organization accepting payment
16 of any dues or fees from an employee as a condition of
17 employment pursuant to an agreement authorized by Fed-
18 eral law must secure from each employee prior, written
19 authorization if any portion of such dues or fees will be
20 used for activities not necessary to performing the duties
21 of the exclusive representative of the employees in dealing
22 with the employer on labor-management issues.

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

24 (a) EXPENSES REPORTING.—Section 201(b) of the
25 Labor-Management Reporting and Disclosure Act of 1959

1 is amended by adding at the end the following new sen-
2 tence: “Every labor organization shall be required to at-
3 tribute and report expenses in such detail as necessary to
4 allow members to determine whether such expenses were
5 necessary to performing the duties of the exclusive rep-
6 resentative of the employees in dealing with the employer
7 on labor-management issues.”

8 (b) DISCLOSURE.—Section 201(c) of the Labor-Man-
9 agement Reporting and Disclosure Act of 1959 is
10 amended—

11 (1) by inserting “and employees required to pay
12 any dues or fees to such organization” after “mem-
13 bers”; and

14 (2) inserting “or employee required to pay any
15 dues or fees to such organization” after “member”
16 each place it appears.

17 (c) WRITTEN REQUESTS.—Section 205(b) of the
18 Labor-Management Reporting and Disclosure Act of 1959
19 is amended by adding at the end the following new sen-
20 tence: “Upon written request, the Secretary shall make
21 available complete copies of any report or other document
22 filed pursuant to section 201.”.

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

24 It shall be unlawful for any labor organization to co-
25 erce, intimidate, threaten, interfere with, or retaliate

1 against any employee in the exercise of, or on account of
2 having exercised, any right granted or protected by this
3 Act.

4 **SEC. 8. REGULATIONS.**

5 The Secretary of Labor shall prescribe such regula-
6 tions as are necessary to carry out section 5 not later than
7 60 days after the enactment of this Act and shall prescribe
8 such regulations as are necessary to carry out the amend-
9 ments made by section 6 not later than 120 days after
10 the enactment of this Act.

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

12 This Act shall be effective immediately upon enact-
13 ment, except that sections 4 and 5 pertaining to worker
14 consent and notice shall take effect 90 days after enact-
15 ment and section 6 pertaining to disclosure shall take ef-
16 fect 150 days after enactment.

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