

HCS HB 1577 -- LABOR ORGANIZATIONS

SPONSOR: Wiemann

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Economic Development by a vote of 6 to 4. Voted "Do Pass" by the Rules- Legislative Oversight Committee by a vote of 7 to 0.

This bill changes the laws relating to public employees, labor organizations, and labor agreements between a labor organization and a public body. The term labor organization is defined to mean an organization that exists for the purpose, in whole or in part, to collectively bargain with a public body. The bill provides that no sum shall be withheld from an employee's earnings to pay dues or other fees to a labor organization without annual authorization. Labor organizations are required to maintain financial records substantially similar to federal law, and must make the records available to employees in searchable electronic format.

The bill requires labor organizations to adopt a constitution and bylaws and file a copy with the Department of Labor and Industrial Relations, along with a report containing specified information about the organization. Labor organizations are also required to annually file a report detailing the organization's financial condition and operations. The financial report shall be in an electronic, readily accessible format available to its members.

This bill requires every officer and employee of a labor organization to annually file a report listing any legal or equitable interest, income, or transaction the person, his or her spouse, or minor child received or derived from a labor organization or public body with employees that the labor organization represents or is seeking to represent. Excepted from the reporting requirement are employees performing exclusively clerical or custodial services, bona fide payments, and benefits received as an employee, and bona fide investments in securities traded on a national securities exchange.

The bill does not require communications to an attorney as part of an attorney-client relationship to be reported. The reports and documents filed with the department under the provisions of this bill are public records. The department, as specified in the bill, must allow for the inspection and examination of the reports and documents, and furnish copies upon payment of the service.

Each person required to file a report shall maintain for at least five years sufficient records to verify the information contained in the report. Each labor organization shall file a report within

90 days of becoming subject to the provisions of this bill. Each person required to file a report shall file the report within 90 days after the end of each fiscal year.

Any person who violates certain provisions of the bill related to the required reports or files a false report is subject to a fine or imprisonment of not more than a year.

The bill provides that supervisory employees, as defined in these provisions, shall not be included in the same bargaining unit as the employees they supervise and that the same labor organization shall not represent both non-supervisory and supervisory employees.

Recognition may only be obtained by a labor organization through an election before the State Board of Mediation. Voluntary recognition by a public body is prohibited. An election by secret ballot will be held after the board is presented with cards containing signatures of at least 30% of the employees in the bargaining unit. The bill specifies the ballot language to be used for the selection of a labor organization as the exclusive representative for the bargaining unit.

Employees of the bargaining unit may seek to decertify the labor organization at any time. The board shall schedule a decertification election upon presentation to the board of cards bearing the signatures of at least 30% of the employees in the bargaining unit.

Labor organizations shall be recertified every two years. No more than one election shall take place in any bargaining unit within a 12-month period. The board shall collect a fee from each labor organization participating in an election.

Within eight weeks of a certification election, the labor organization shall meet and begin bargaining with representatives of the public body. No labor organization shall refuse to meet with the representatives of the public body, and neither side is required to offer any particular concession or proposal.

The bill provides that a public body and labor organization shall not be subject to binding mediation or arbitration. Bargaining for renewal agreements shall take place biennially. Labor agreements negotiated between the labor organization and public body are subject to certain limitations, including that management reserves the right to hire, discipline and discharge employees, reserves the right to make and amend reasonable work rules, a prohibition against all strikes and picketing, extending the duty of fair representation to employees of the bargaining unit, prohibiting labor organization employees from accepting paid time by a public

body for conducting labor organization business, and providing for the modification of the agreement in the event of a budget shortfall.

A labor organization that violates the provisions of this bill is subject to a civil action for appropriate relief, including injunctive relief. Attorneys' fees shall be awarded for the enforcement of the provisions of this bill.

The provisions of the bill apply to personal care attendants and their unions.

This bill is similar to HB 238 and SB 210 (2017).

PROPONENTS: Supporters say that collective bargaining should not occur between public employees and government. Instead negotiations between governmental bodies and employees should be based on a free market model. This bill ensures that public employees may disassociate from a public employee union as they see fit, and that public employees need not support political endeavors that they disagree with. Currently, public employee unions are not held to the same financial disclosure requirements as private employee unions.

Testifying for the bill were Representative Wiemann; United For Missouri; Americans For Prosperity - Missouri; Missouri Rising; Patrick Ishmael, Show Me Institute; and Mo Century Foundation.

OPPONENTS: Those who oppose the bill say that this bill would impose excessive requirements and negotiation time lines, which will divert time and efforts away from other union efforts such as setting workplace standards and addressing student needs, in the case of public teacher unions. This bill impermissibly attempts to retroactively alter labor agreements, and potentially conflicts with the state constitutional right to collectively bargain. The bill also has election time line requirements that could conflict. Public sector unions already have financial disclosures with the Internal Revenue Service, and this bill does not save any public dollars since it target moneys once they have already been paid to public employees.

Testifying against the bill were Missouri AFL-CIO; United Steel Workers; Service Employees International Union; Matt Crecelius, St. Louis County Police Association; Empower Missouri; Missouri State Council of Firefighters; Missouri Fraternal Order of Police; St. Louis Police Officers Association; Sally Topping, Local 420 AFT; and Missouri National Education Association.