

House Bill 6226
Sponsor: Rep. Brian Palmer
**Committee: Employment Relations,
Training and Safety**

Complete to 8-29-02

A SUMMARY OF HOUSE BILL 6226 AS INTRODUCED 6-18-02

House Bill 6226 would amend Public Act 336 of 1947, which prohibits strikes by public employees, to require annual disclosure of certain information by labor unions.

Currently the law specifies that it is the purpose of the act to reaffirm the continuing public policy of this state that the stability and effectiveness of labor relations in the public sector require, if such requirement is negotiated with the public employer, that all employees in the bargaining unit shall share fairly in the financial support of their exclusive bargaining representative by paying a service fee which can be equivalent to the amount of dues required of members of the exclusive bargaining unit. Under the bill, this provision would be retained, however the provision would be modified to eliminate reference to 'the continuing public policy of this state,' as well as the 'stability and effectiveness of labor relations' intent clause.

Further and under the bill, if a public employer agreed to a service fee under this section, then the exclusive bargaining representative would be required annually to file with the Michigan Employment Relations Commission all of the following information for the exclusive bargaining representative, within 90 days of the end of the bargaining representative's fiscal year:

- all assets and liabilities at the beginning and end of the fiscal year;
- the salary, cost of fringe benefits, allowances, and any other direct or indirect disbursements to each officer of the exclusive bargaining representative, and to any employees of the exclusive bargaining representative;
- all contributions to state or national affiliates of the exclusive bargaining representative, or to any officer of a state or national affiliate, and any employees of a state or national affiliate;
- all income received by and the value of any services furnished to the exclusive bargaining representative by any of the following: i) a parent affiliated labor organization; and, ii) any other labor organization on behalf of the exclusive bargaining representative;
- the total amount spent by the exclusive bargaining representative and the percentage of total expenditures for all of the following: i) contract negotiation and administration; ii) organizing activities; iii) strike activities; iv) litigation, specifying the matters and cases involved and the name, address, and activities of any attorney, law firm, lobbying firm, public relations firm, or other person retained; v) public relations activities, specifying the name, address, and activities of any attorney, law firm, lobbying firm, public relations firm, or other person retained;

vi) political activities, including but not limited to contributions to political campaigns, contributions to referendum or initiative campaigns, and express advocacy on behalf of or in opposition to any candidate for election, referendum, or initiative; vii) activities intended to influence federal, state, or local legislation, regulations, or policies, specifying the name, address, and activities of any attorney, law firm, lobbying firm, public relations firms, or other person retained; viii) issue advocacy, voter education, voter registration, and activities intended to increase voter turnout; ix) training activities for the exclusive bargaining representative's officers or employers; and, x) conference, convention, and travel activities engaged in by the exclusive bargaining representative's officers or employees;

-a list of any political candidates and political, charitable, nonprofit, or community organizations to which the exclusive bargaining representative contributed financial assistance or provided other assistance and the amount contributed or the fair market value of the assistance provided; and

-the name and address of any political action committee with which the exclusive bargaining representative is affiliated, or to which it provided a contribution, specifying the total amount of any contribution made, the candidates or issues to which the committee provided financial assistance, and the amount of financial assistance the committee provided for those candidates or issues.

The bill would require that the report be prepared by an independent certified public accounting firm, using generally accepted auditing standards and generally accepted accounting principles. The independent accounting firm would be required to report expenditures or portions of expenditures of the bargaining representative as either germane or non-germane to collective bargaining, contract administration, or grievance processing. Further, all union financial records maintained by the bargaining representative would be maintained in compliance with generally approved accounting principles.

House Bill 6226 would prohibit a labor organization or its agents from failing or refusing to prepare the required report. The bill specifies that a failure or refusal to provide the report would be an unfair labor practice and be remediable by the commission in the following manner:

-for any failure or refusal, the commission would be required to order the bargaining representative to refund all membership dues or service fees to employees of the bargaining unit for the period covered by the report; or

-for a second failure or refusal, the commission would be required to order an election in the bargaining unit affected, as to whether the labor organization would continue to be the exclusive bargaining representative, and that election would be conducted upon the expiration of any existing collective bargaining agreement.

MCL 423.210 and 423.216

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■ 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.