

VOLUNTARY CONTRIBUTION ACT

AMENDMENTS

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: Michael R. Styler

LONG TITLE

General Description:

This bill modifies Labor Code and Election Code provisions relating to political activities by labor organizations.

Highlighted Provisions:

This bill:

- ▶ allows labor organizations to make expenditures from sources other than a political fund, including union dues, to influence ballot propositions;
- ▶ allows a labor organization to use union dues to pay the cost of establishing and administering a political fund;
- ▶ allows a labor organization to use union dues to solicit contributions from its members to a political fund;
- ▶ clarifies that labor organizations may expend union dues to communicate with their members about political candidates or political issues; and
- ▶ makes technical corrections.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a severability clause.

Utah Code Sections Affected:

AMENDS:

20A-11-1402, as last amended by Chapter 284, Laws of Utah 2003

20A-11-1404, as repealed and reenacted by Chapter 284, Laws of Utah 2003

34-32-1, as last amended by Chapter 284, Laws of Utah 2003

34-32-1.1, as enacted by Chapter 284, Laws of Utah 2003

34-32-4, as enacted by Chapter 85, Laws of Utah 1969

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **20A-11-1402** is amended to read:

20A-11-1402. Definitions.

(1) As used in this part:

(a) "Ballot proposition" includes constitutional amendments, initiatives, referenda, judicial retention questions, opinion questions, or other questions submitted to the voters for their approval or rejection.

(b) (i) "Labor organization" means a lawful organization of any kind that is composed, in whole or in part, of employees and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of employment.

(ii) Except as provided in Subsection (1)(b)(iii), "labor organization" includes each employee association and union for employees of public and private sector employers.

(iii) "Labor organization" does not include organizations governed by the National Labor Relations Act, 29 U.S.C. Sec. 151 et seq. or the Railroad Labor Act, 45 U.S.C. Sec. 151 et seq.

(c) "Political fund" means a separate segregated fund established by a labor organization for political purposes that meets the requirements of this part.

(d) "Political purposes" means an act done with the intent or in a way to influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote for or against~~[-(†)]~~ any candidate for public office at any caucus, political convention, primary, or election~~[-or]~~.

~~[(ii) any ballot proposition.]~~

(e) "Union dues" means dues, fees, monies, or other assessments required as a condition of membership or participation in a labor organization.

(2) Other terms defined in Section 20A-11-101 apply to this part.

Section 2. Section **20A-11-1404** is amended to read:

20A-11-1404. Establishment and administration of political fund.

(1) A labor organization wishing to make expenditures for political purposes shall establish a political fund.

(2) Each labor organization that establishes a political fund shall:

(a) maintain the political fund as a separate, segregated account apart from any account containing monies received by a labor organization as union dues;

~~[(b) pay the costs of administering the political fund from contributions to the political fund and not from union dues;]~~

~~[(c)]~~ (b) ensure that each contribution to the political fund is voluntary; and

~~[(d)]~~ (c) register the political fund as a political action committee or political issues committee as required by this chapter.

(3) (a) ~~[(A)]~~ Except as otherwise provided in this part, a labor organization may only make expenditures for political purposes from a political fund established in accordance with this part.

(b) A labor organization may not expend union dues for political purposes or transfer union dues to a political fund.

(4) Nothing in this part precludes a labor organization from making expenditures of union dues to communicate directly with its own members about political candidates or political issues.

(5) Nothing in this part precludes a labor organization from making expenditures of union dues either for the establishment and administration of a political fund or to solicit contributions from its members to a political fund.

(6) Nothing in this part is intended to, or may be construed to, preempt any requirement of federal law.

Section 3. Section **34-32-1** is amended to read:

34-32-1. Assignments to labor unions -- Effect.

(1) As used in this section:

~~[(a) "Ballot proposition" means opinion questions specifically authorized by the Legislature, constitutional amendments, initiatives, referenda, and judicial retention questions that~~

~~are submitted to the voters for their approval or rejection.]~~

~~[(b)]~~ (a) "Employee" means a person employed by any person, partnership, public, private, or municipal corporation, school district, the state, or any political subdivision of the state.

~~[(c)]~~ (b) "Employer" means the person or entity employing an employee.

~~[(d)]~~ (c) (i) "Labor organization" means a lawful organization of any kind that is composed, in whole or in part, of employees, and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of employment.

(ii) Except as provided in Subsection (1)~~[(d)]~~(c)(iii), "labor organization" includes each employee association and union for employees of public and private sector employers.

(iii) "Labor organization" does not include organizations governed by the National Labor Relations Act, 29 U.S.C. Sec. 151 et seq. or the Railroad Labor Act, 45 U.S.C. Sec. 151 et seq.

~~[(e)]~~ "Political purposes" means an act done with the intent or in a way to influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote for or against:]

~~[(i)]~~ any candidate for public office at any caucus, political convention, primary, or election; or]

~~[(ii)]~~ any ballot proposition:]

~~[(f)]~~ (d) "Union dues" means dues, fees, monies, or other assessments required as a condition of membership or participation in a labor organization.

(2) (a) An employee may direct, in writing, that an employer deduct from the employee's wages a specified sum for union dues, not to exceed 3% per month, to be paid to a labor organization designated by the employee.

(b) An employer shall cease making deductions for union dues from the wages of an employee for the benefit of a labor organization when the employer receives a written communication from the employee directing that the deductions cease.

Section 4. Section **34-32-1.1** is amended to read:

34-32-1.1. Prohibiting public employers from making payroll deductions for political purposes.

(1) As used in this section:

~~[(a) "Ballot proposition" means opinion questions specifically authorized by the Legislature, constitutional amendments, initiatives, referenda, and judicial retention questions that are submitted to the voters for their approval or rejection.]~~

~~[(b)]~~ (a) (i) "Labor organization" means a lawful organization of any kind that is composed, in whole or in part, of employees and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or other terms and conditions of employment.

(ii) Except as provided in Subsection (1)(b)(iii), "labor organization" includes each employee association and union for public employees.

(iii) "Labor organization" does not include organizations governed by the National Labor Relations Act, 29 U.S.C. Sec. 151 et seq. or the Railroad Labor Act, 45 U.S.C. Sec. 151 et seq.

~~[(c)]~~ (b) "Political purposes" means an act done with the intent or in a way to influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote for or against~~[(t)]~~ any candidate for public office at any caucus, political convention, primary, or election~~[(r)]~~.

~~[(ii)] any ballot proposition.]~~

~~[(d)]~~ (c) "Public employee" means a person employed by:

- (i) the state of Utah or any administrative subunit of the state;
- (ii) a state institution of higher education; or
- (iii) a municipal corporation, a county, a municipality, a school district, a special district, or any other political subdivision of the state.

~~[(e)]~~ (d) "Public employer" means an employer that is:

- (i) the state of Utah or any administrative subunit of the state;
- (ii) a state institution of higher education; or
- (iii) a municipal corporation, a county, a municipality, a school district, a special district,

or any other political subdivision of the state.

~~[(f)]~~ (e) "Union dues" means dues, fees, assessments, or other monies required as a condition of membership or participation in a labor organization.

(2) A public employer may not deduct from the wages of its employees any amounts to be paid to:

- (a) a candidate as defined in Section 20A-11-101;
- (b) a personal campaign committee as defined in Section 20A-11-101;
- (c) a political action committee as defined in Section 20A-11-101;
- (d) a political issues committee as defined in Section 20A-11-101;
- (e) a registered political party as defined in Section 20A-11-101;
- (f) a political fund as defined in Section 20A-11-1402; or
- (g) any entity established by a labor organization to solicit, collect, or distribute monies primarily for political purposes as defined in this chapter.

(3) The attorney general may bring an action to require ~~[the]~~ a public employer to comply with the requirements of this section.

Section 5. Section ~~34-32-4~~ is amended to read:

34-32-4. Exceptions from chapter.

(1) The provisions of this chapter shall not apply to carriers as that term is defined in the Railway Labor Act passed by the Congress of the United States, June 21, 1934. 48 Stat. 1189, U.S. Code, Title 45, Section 151.

(2) Nothing in this chapter is intended to, or may be construed to, preempt any requirement of federal law.

Section 6. Severability clause.

If a court of competent jurisdiction holds that any portion of this act or the application of any portion of this act to any person or circumstance is invalid:

- (1) the invalid portion or application shall be severed; and
- (2) the remainder of this act shall remain in effect without the invalid portion or application.

