

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 405 Session of
2005

INTRODUCED BY SCHRODER, ARMSTRONG, BALDWIN, BIRMELIN, CLYMER,
CREIGHTON, DENLINGER, FAIRCHILD, GABIG, GILLESPIE, GINGRICH,
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E. Z. TAYLOR, TRUE, TURZAI, WATSON, WILT, YOUNGBLOOD AND ZUG,
FEBRUARY 9, 2005

REFERRED TO COMMITTEE ON LABOR RELATIONS, FEBRUARY 9, 2005

AN ACT

1 Providing for voluntary payroll deduction for political
2 contributions, for regulation of labor organization political
3 contributions, for enforcement and for penalties; and
4 imposing powers and duties on the Department of State.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Short title.

8 This act shall be known and may be cited as the Voluntary
9 Payroll Deduction for Political Contributions Act.

10 Section 2. Declaration of policy.

11 The General Assembly finds and declares as follows:

12 (1) Political and ideological contributions that are
13 taken from individuals without their knowledge and complete
14 consent create the public perception that individuals play an
15 insignificant role in the political process.

16 (2) It is a violation of an individual's basic

1 constitutional rights to be required to contribute to
2 political causes with which the individual disagrees.

3 (3) This act is intended to prohibit the use of moneys
4 acquired from employee payroll deductions for the support of
5 political causes espoused by employers, or employees'
6 representative labor organizations, without the written
7 consent of the employee.

8 (4) This act is also intended to prohibit the coercion,
9 direct or indirect, of employees into donating portions of
10 their wages or salaries to political causes with which they
11 disagree.

12 (5) This act is not intended to inhibit the right of any
13 individual to voluntarily donate to political or ideological
14 causes espoused by the individual's employer or labor
15 organization.

16 Section 3. Definitions.

17 The following words and phrases when used in this act shall
18 have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

20 "Department." The Department of State of the Commonwealth.

21 "Employee." A natural person who performs services for a
22 public or private employer for valuable consideration.

23 "Employer." Includes a natural person, partnership, joint-
24 stock company, corporation for profit, corporation not-for-
25 profit, municipal corporation, the Commonwealth and any
26 government agency established by it.

27 "Fund." A separate segregated fund established by a labor or
28 business organization for political purposes according to the
29 procedures and requirements of Federal and State election laws.

30 "Labor organization." An association or organization of

1 employees and an agency, employee representation committee or
2 plan in which employees participate that exists, in whole or in
3 part, to advocate the interests of public or private employees
4 related to grievances, labor disputes, wages, rates of pay,
5 hours of employment or conditions of work.

6 Section 4. Employee authorization for payroll deductions.

7 (a) Written authorization required.--

8 (1) No employer or other person responsible for the
9 disbursement of moneys shall deduct any moneys from an
10 employee's wages or salary for political purposes except upon
11 the written authorization of the employee. This requirement
12 shall include that portion of labor organization dues
13 deductions that are used for political purposes. In order to
14 be valid, the written authorization must have been received
15 by the employer within the previous 12 months.

16 (2) The written authorization shall be provided on a
17 form specified by the department, the sole purpose of which
18 shall be to serve as documentation of the authorization. The
19 form shall at a minimum contain the name of the individual
20 granting the authorization, the organization to which the
21 moneys are to be forwarded, the total amount of the deduction
22 and the signature of the individual authorizing the political
23 deduction.

24 (3) The form's title shall read, in at least 24-point
25 boldface type, "Authorization for Payroll Deduction for
26 Political Purposes" and shall state, in at least 14-point
27 boldface type, the following immediately above the signature
28 line:

29 Signing this form authorizes a deduction
30 from your paycheck of moneys to be used for

1 political contributions or expenditures.

2 You are not obligated to sign this
3 authorization. Your signature below
4 is completely voluntary and
5 cannot in any way affect your employment.

6 (b) Termination of authorization.--An employee may terminate
7 the authorization granted in subsection (a) by providing a
8 written request to do so to the employer. The employer shall
9 terminate the political dues deduction by the next regular
10 payday after the pay period the request is submitted.

11 (c) Waiver prohibited.--The conditions of this section may
12 not be waived by the employee. Waiver of the authorization
13 requirement shall not be a condition of employment or continued
14 employment.

15 (d) Construction.--Nothing in this section shall prohibit an
16 individual from making voluntary contributions to a fund or
17 other political committee.

18 Section 5. Regulation of labor organization political
19 contributions.

20 (a) Fund for political purposes.--A labor organization may
21 only expend moneys for lobbying, electoral and political
22 activities not bearing upon the ratification or implementation
23 of a collective bargaining agreement if the labor organization
24 establishes a fund to be used for political purposes.

25 (b) Duties of labor organization.--The labor organization
26 shall ensure that:

27 (1) Contributions to the fund are solicited
28 independently from any other solicitations by the labor
29 organization.

30 (2) Dues or other fees for membership in the labor

1 organizations are not used for political purposes,
2 transferred to the separate fund or intermingled in any way
3 with the fund moneys.

4 (3) The cost of administering the fund is paid from fund
5 contributions and not from dues or other fees for membership
6 in the labor organization.

7 Section 6. Additional protections.

8 (a) Source of contributions.--It is unlawful for an employer
9 or labor organization to make a political contribution by using
10 money or anything of value:

11 (1) Secured by physical force, job discrimination,
12 membership discrimination or financial reprisals or threat of
13 force, threat of job discrimination, threat of membership
14 discrimination or threat of financial reprisals.

15 (2) From dues, fees or other moneys required as a
16 condition of membership in a labor organization or as a
17 condition of employment.

18 (3) Obtained in any commercial transaction.

19 (b) Solicitation of contributions.--At the time an employer
20 or labor organization solicits money for a fund from an
21 employee, it is unlawful for an employer or labor organization
22 to fail to:

23 (1) Inform an employee of the fund's political purpose.

24 (2) Inform an employee of the employee's right to refuse
25 to contribute without fear of reprisal.

26 (c) Reimbursement of contributions.--It is unlawful for an
27 employer or labor organization to reimburse an employee or
28 member for a contribution to the fund by providing a bonus,
29 expense account, rebate of dues or other membership fees or any
30 other form of direct or indirect compensation.

(d) Increase of core fees.--It is unlawful for a labor organization to raise a member's core fees in lieu of that member not authorizing the deduction specified in section 4(a) (relating to employee authorization for payroll deductions).

Section 7. Employer and labor organization responsibilities.

(a) Record of authorizations.--An employer or labor organization subject to this act shall maintain records that include a copy of each authorization obtained under section 4 (relating to employee authorization for payroll deductions).

(b) Record of collections and transmittals to fund.--Employers and labor organizations shall maintain a record of moneys collected under section 4 and a record of the moneys that were transmitted to a fund.

(c) Department access to records.--Records shall be provided to the department within ten business days when requested in writing by the department.

(d) Copy of authorization for employee.--An employee shall be provided with a copy of the authorization submitted under section 4 when the form is submitted.

Section 8. Department enforcement and regulatory authority.

The department shall enforce the provisions of this act and shall promulgate the necessary regulations to enforce this act. These regulations shall include procedures for employees to file allegations of violations of this act and procedures for the expeditious investigation and resolution of those alleged violations. The department shall refer apparent violations of this act to the Office of Attorney General for prosecution.

Section 9. Penalties.

(a) Employers.--An employer that violates the provisions of this act shall be subject to a maximum fine of up to \$5,000 for

1 each violation.

2 (b) Labor organizations.--A labor organization that violates
3 the provisions of this act shall be subject to a maximum fine of
4 up to \$5,000 for each violation.

5 Section 10. Severability.

6 The provisions of this act are severable. If any provision of
7 this act or its application to any person or circumstance is
8 held invalid, the invalidity shall not affect other provisions
9 or applications of this act which can be given effect without
10 the invalid provision or application.

11 Section 11. Repeals.

12 All acts and parts of acts are repealed insofar as they are
13 inconsistent with this act.

14 Section 12. Effective date.

15 This act shall take effect in 60 days.