



## 116th MAINE LEGISLATURE

## **SECOND REGULAR SESSION-1994**

Legislative Document

No. 1847

S.P. 675

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In Senate, February 8, 1994

An Act Concerning Agency Service Fees.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Labor suggested and ordered printed.

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator BUSTIN of Kennebec.

Cosponsored by Senator: HANDY of Androscoggin, Representatives: CLARK of Millinocket, JOHNSON of South Portland, MORRISON of Bangor, OLIVER of Portland, PARADIS of Augusta, PINEAU of Jay, ROTONDI of Athens.

	Be it enacted by the People of the State of Maine as follows:
2 4	Sec. 1. 26 MRSA §964, sub-§2, ¶C, as enacted by PL 1969, c. 424, §1, is amended to read:
б	C. Engaging in
8	(1) A work stoppage;
10	(2) A slowdown;
12	(3) A strike; or
14	(4) The blacklisting of any public employer for the purpose of preventing it from filling employee
16	purpose of preventing it from filling employee vacancies <del>.: or</del>
1,8	Sec. 2. 26 MRSA §964, sub-§2, ¶D is enacted to read:
20	D. Discriminating against an employee on the basis of the employee's membership, nonmembership or agency fee status in
22	an employee organization or its affiliates.
24	Sec. 3. 26 MRSA §975 is enacted to read:
26	<u>§975. Payment of membership dues or agency service fee</u>
28	<ol> <li>Payment of dues or fee. The public employer shall require, as a condition of employment, that an employee pay</li> </ol>
30	membership dues or agency service fees to the employee organization that is the exclusive bargaining agent for the unit
32	in which that employee is employed. The employer may not require the payment of the agency service fee before the 30th day
34	following the beginning of employment or the effective date of the agreement, whichever is later. The amount of the agency
36	<u>service fee required of a nonmember may not exceed the amount required to become a member and remain a member in good standing</u>
38	<u>of the bargaining agent and its affiliates to which membership</u> <u>dues or per capita fees are paid. The agency service fee may not</u>
40	<u>include any share of expenditures by the organization or its affiliates for:</u>
42	A. Contributions to a political candidate or a political
44	committee formed for a candidate or a political party;
46	<u>B. Publicizing an organizational preference for a candidate</u> for political office;
48	C. Efforts to enact, defeat, repeal or amend legislation
50	unrelated to the wages, hours, standards of productivity and

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performance, other terms and conditions of employment or the 2 welfare of employees represented by the bargaining agent or its affiliates; 4 D. Contributions to charitable, religious or ideological causes not germane to its duties as bargaining agent; б 8 E. Benefits that are available only to members of the employee organization; or 10 Benefits that are not germane to its duties as F. 12 bargaining agent or to the governance of the bargaining agent or its affiliates. 14 2. Explanation of agency service fee. Upon an employee's 16 request, the bargaining agent shall provide a written explanation of the basis for the calculation of the agency service fee. At a 18 minimum, this explanation must include the identification of major categories of expenses. 20 3. Objections to fee amount. An employee who objects to 22 the amount of an agency service fee may file a written complaint with the board as provided in section 968, subsection 5. Except 24 for good cause shown, an objection to the amount of the agency service fee must be filed within 6 months of the due date of the 26 first fee payment. 28 4. Escrow account. Upon notice of an employee's complaint, the bargaining agent shall place the nonmember employee's agency 30 service fees into an interest-bearing escrow account while the resolution of the complaint is pending. If the explanation of 32 the agency service fee provided under subsection 2 includes a certified public accountant's verified breakdown of expenditures, 34 the employee organization may escrow only that portion of the fee that could reasonably be in dispute. 36 5. Resolution of dispute. The board shall provide for a 38 reasonably prompt decision in accordance with section 968, subsection 5. The board may defer to an established internal 40 procedure of the bargaining agent if that procedure provides for a reasonably prompt decision by an impartial decision maker. 42 Sec. 4. 26 MRSA §979-C, sub-§2, ¶C, as enacted by PL 1973, c. 774, is amended to read: 44 46 C. Engaging in: 48 A work stoppage; 50 (2) A slowdown;

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2 (3) A strike; or (4) The blacklisting of the public employer for the 4 of preventing it from filling purpose employee 6 vacancies+; or Sec. 5. 26 MRSA §979-C, sub-§2, ¶D is enacted to read: 8 10 D. Discriminating against an employee on the basis of the employee's membership, nonmembership or agency fee status in an employee organization or its affiliates. 12 Sec. 6. 26 MRSA §979-R is enacted to read: 14 16 §979-R. Payment of membership dues or agency service fee 18 1. Payment of dues or fee. The public employer shall require, as a condition of employment, that an employee pay 20 membership dues or agency service fees to the employee organization that is the exclusive bargaining agent for the unit 22 in which that employee is employed. The employer may not require the payment of the agency service fee before the 30th day 24 following the beginning of employment or the effective date of the agreement, whichever is later. The amount of the agency service fee required of a nonmember may not exceed the amount 26 required to become a member and remain a member in good standing of the bargaining agent and its affiliates to which membership 28 dues or per capita fees are paid. The agency service fee may not include any share of expenditures by the organization or its 30 affiliates for: 32 A. Contributions to a political candidate or a political committee formed for a candidate or a political party; 34 B. Publicizing an organizational preference for a candidate 36 for political office; 38 C. Efforts to enact, defeat, repeal or amend legislation 40 unrelated to the wages, hours, standards of productivity and performance, other terms and conditions of employment or the welfare of employees represented by the bargaining agent or 42 its affiliates; 44 Contributions to charitable, religious or ideological D. causes not germane to its duties as bargaining agent; 46 E. Benefits that are available only to members of the 48 employee organization; or 50

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F. Benefits that are not germane to its duties as bargaining agent or to the governance of the bargaining agent or its affiliates.

2. Explanation of agency service fee. Upon an employee's request, the bargaining agent shall provide a written explanation of the basis for the calculation of the agency service fee. At a minimum, this explanation must include the identification of major categories of expenses.

3. Objections to fee amount. An employee who objects to 12 the amount of an agency service fee may file a written complaint with the board as provided in section 979-H. Except for good 14 cause shown, an objection to the amount of the agency service fee must be filed within 6 months of the due date of the first fee 16 payment.

 4. Escrow account. Upon notice of an employee's complaint, the bargaining agent shall place the nonmember employee's agency
 service fees into an interest-bearing escrow account while the resolution of the complaint is pending. If the explanation of
 the agency service fee provided under subsection 2 includes a certified public accountant's verified breakdown of expenditures,
 the employee organization may escrow only that portion of the fee that could reasonably be in dispute.

5. Resolution of dispute. The board shall provide for a reasonably prompt decision in accordance with section 979-H. The board may defer to an established internal procedure of the bargaining agent if that procedure provides for a reasonably prompt decision by an impartial decision maker.

Sec. 7. 26 MRSA §1027, sub-§2, ¶¶B and C, as amended by PL 1989, c. 443, §72, are further amended to read:

B. Refusing to bargain collectively with the university, academy and technical colleges as required by section 1026;
 and

40 C. Engaging in:

42 (1) A work stoppage, slowdown or strike; and

- 44 (2) The blacklisting of the university, academy or technical colleges for the purpose of preventing them
   46 from filling employee vacancies-; or
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Sec. 8. 26 MRSA §1027, sub-§2, ¶D is enacted to read:

Page 4-LR2586(1) L.D.1847 D. Discriminating against an employee on the basis of the employee's membership, nonmembership or agency fee status in an employee organization or its affiliates.

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Sec. 9. 26 MRSA §1036 is enacted to read:

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§1036. Payment of membership dues or agency service fee

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1. Payment of dues or fee. The public employer shall 10 require, as a condition of employment, that an employee pay membership dues or agency service fees to the employee organization that is the exclusive bargaining agent for the unit 12 in which that employee is employed. The employer may not require 14 the payment of the agency service fee before the 30th day following the beginning of employment or the effective date of the agreement, whichever is later. The amount of the agency 16 service fee required of a nonmember may not exceed the amount 18 required to become a member and remain a member in good standing of the bargaining agent and its affiliates to which membership 20 dues or per capita fees are paid. The agency service fee may not include any share of expenditures by the organization or its affiliates for: 22

24 <u>A. Contributions to a political candidate or a political</u> <u>committee formed for a candidate or a political party;</u>

<u>B. Publicizing an organizational preference for a candidate</u>
 <u>for political office;</u>

 30 C. Efforts to enact, defeat, repeal or amend legislation unrelated to the wages, hours, standards of productivity and performance, other terms and conditions of employment or the welfare of employees represented by the bargaining agent or its affiliates;

- 36 <u>D. Contributions to charitable, religious or ideological</u> causes not germane to its duties as bargaining agent;
- E. Benefits that are available only to members of the 40 employee organization; or
- 42 <u>F. Benefits that are not germane to its duties as</u> bargaining agent or to the governance of the bargaining
   44 <u>agent or its affiliates.</u>
- 46 2. Explanation of agency service fee. Upon an employee's request, the bargaining agent shall provide a written explanation
   48 of the basis for the calculation of the agency service fee. At a minimum, this explanation must include the identification of
   50 major categories of expenses.

3. Objections to fee amount. An employee who objects to the amount of an agency service fee may file a written complaint with the board as provided in section 1029. Except for good cause shown, an objection to the amount of the agency service fee must be filed within 6 months of the due date of the first fee payment.

4. Escrow account. Upon notice of an employee's complaint,
 the bargaining agent shall place the nonmember employee's agency service fees into an interest-bearing escrow account while the
 resolution of the complaint is pending. If the explanation of the agency service fee provided under subsection 2 includes a
 certified public accountant's verified breakdown of expenditures, the employee organization may escrow only that portion of the fee
 that could reasonably be in dispute.

18 5. Resolution of dispute. The board shall provide for a reasonably prompt decision in accordance with section 1029. The board may defer to an established internal procedure of the bargaining agent if that procedure provides for a reasonably
 22 prompt decision by an impartial decision maker.

Sec. 10. 26 MRSA §1284, sub-§2, ¶C, as enacted by PL 1983, c. 702, is amended to read:

C. Engaging in:

A work stoppage;

(2) A slowdown;

(3) A strike; or

(4) The blacklisting of the public employer for the purpose of preventing it from filling employee vacancies.; or

Sec. 11. 26 MRSA §1284, sub-§2, ¶D is enacted to read:

D. Discriminating against an employee on the basis of the employee's membership, nonmembership or agency fee status in an employee organization or its affiliates.

Sec. 12. 26 MRSA §1295 is enacted to read:

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<u>§1295. Payment of membership dues or agency service fee</u>

1. Payment of dues or fee.The public employer shall50require, as a condition of employment, that an employee pay

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membership dues or agency service fees to the employee 2 organization that is the exclusive bargaining agent for the unit in which that employee is employed. The employer may not require 4 the payment of the agency service fee before the 30th day following the beginning of employment or the effective date of the agreement, whichever is later. The amount of the agency 6 service fee required of a nonmember may not exceed the amount required to become a member and remain a member in good standing 8 of the bargaining agent and its affiliates to which membership dues or per capita fees are paid. The agency service fee may not 10 include any share of expenditures by the organization or its affiliates for: 12 A. Contributions to a political candidate or a political 14 committee formed for a candidate or a political party; 16 B. Publicizing an organizational preference for a candidate 18 for political office; 20 C. Efforts to enact, defeat, repeal or amend legislation unrelated to the wages, hours, standards of productivity and performance, other terms and conditions of employment or the 22 welfare of employees represented by the bargaining agent or 24 its affiliates; D. Contributions to charitable, religious or ideological 26 causes not germane to its duties as bargaining agent; 28 E. Benefits that are available only to members of the employee organization; or 30 32 F. Benefits that are not germane to its duties as bargaining agent or to the governance of the bargaining 34 agent or its affiliates. 36 2. Explanation of agency service fee. Upon an employee's request, the bargaining agent shall provide a written explanation 38 of the basis for the calculation of the agency service fee. At a minimum, this explanation must include the identification of 40 major categories of expenses. 42 3. Objections to fee amount. An employee who objects to the amount of an agency service fee may file a written complaint with the board as provided in section 1289. Except for good 44 cause shown, an objection to the amount of the agency service fee must be filed within 6 months of the due date of the first fee 46 payment. 48 4. Escrow account. Upon notice of an employee's complaint, 50 the bargaining agent shall place the nonmember employee's agency

service fees into an interest-bearing escrow account while the resolution of the complaint is pending. If the explanation of the agency service fee provided under subsection 2 includes a certified public accountant's verified breakdown of expenditures, the employee organization may escrow only that portion of the fee that could reasonably be in dispute.

8 5. Resolution of dispute. The board shall provide for a reasonably prompt decision in accordance with section 1289. The board may defer to an established internal procedure of the bargaining agent if that procedure provides for a reasonably
 12 prompt decision by an impartial decision maker.

## STATEMENT OF FACT

18 This bill requires that a public employer make the payment of union membership dues or agency service fees a condition of 20 employment. An employee who is not a member of the union may be required to pay an agency service fee to the union, but the bill 22 specifies that the cost of activities not germane to collective bargaining and grievance administration may not be included in 24 the calculation of the fee. The bill also provides the procedural safeguards required to protect the First Amendment rights of the nonmember as presented by the United State Supreme 26 Court in Chicago Teachers Union v. Hudson, 475 U.S. 292 (1986).

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This document has not yet been reviewed to determine the need for cross-reference, stylistic and other technical amendments to conform existing law to current drafting standards.

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