HOUSE BILL 502
By Casada

SENATE BILL 490

By Kelsey

AN ACT to amend Tennessee Code Annotated, Title 50, Chapter 1, relative to certain political activities by labor organizations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 1, is amended by adding Sections 2 though 4 of this act as new Part 10 thereto.

SECTION 2. As used in this part, unless the context otherwise requires:

(1) "Filing entity" means a candidate, officeholder, political action committee, political party and each other entity required to report contributions under title 2, chapter 10;

(2) "Fund" means a segregated fund established by a labor organization for political purposes according to the procedures and requirements of this part;

(3)(A) "Labor organization" means any association or organization of employees, and any agency, employee representation committee or plan in which employees participate that exists, in whole or in part, to advocate on behalf of employees about grievances, labor disputes, wages, rates of pay, hours of employment or conditions of employment;

(B) Except as provided in subdivision (3)(C), "labor organization" includes each employee association and union for employees of public and private sector employers;

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

(4) "Political activities" means electoral activities, independent expenditures, or expenditures made to any candidate, political party or political action committee; and

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

SECTION 3.

(a) A labor organization may only make expenditures for political activities if the labor organization establishes a segregated fund that meets the requirements of this part.

(b) The labor organization shall ensure that:

(1) In soliciting contributions for the fund, the solicitor discloses, in clear and unambiguous language on the face of the solicitation, that contributions are voluntary and that the fund is a political fund and will be expended for political activities;

(2) Union dues are not used for political activities, transferred to the fund, or intermingled in any way with fund monies;

(3) The cost of administering the fund is paid from fund contributions and not from union dues; and

(4) Each contribution is voluntary and shall be made by the member and may not come from or be remitted by the employer of the member.

(c) At the time the labor organization is soliciting contributions for the fund from an employee, the labor organization shall:

(1) Affirmatively inform the employee, orally or in writing, of the fund's political purpose; and

(2) Affirmatively inform the employee, orally or in writing, of the employee's right to refuse to contribute without fear of reprisal or loss of membership in the labor organization.

(d) The labor organization has the burden of proof to establish that the requirements of subsections (b) and (c) have been met.

(e) Notwithstanding subdivision (b)(2), a labor organization may use union dues to lobby or communicate directly with its own members about political candidates, ballot propositions and other political issues.

SECTION 4. No labor organization or union that receives funds from authorized automatic deductions of payroll dues shall engage in political activities. A labor organization or union may employ a lobbyist provided such person does not use funds from such employment to advocate for or against a political candidate or to engage in political activity on behalf of the labor organization or union.

SECTION 5. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 6. This act shall take effect July 1, 2013, the public welfare requiring it.