

110TH CONGRESS  
2D SESSION

# H. R. 5775

To amend the Labor-Management Reporting and Disclosure Act to provide for specified civil penalties for violations of that Act, and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

APRIL 10, 2008

Mr. SESSIONS (for himself, Mr. BROUN of Georgia, Mr. BARTLETT of Maryland, Mr. KING of Iowa, Ms. FALLIN, Mr. BOUSTANY, Mr. CAMPBELL of California, Mr. CONAWAY, Mr. KLINE of Minnesota, Mr. ISSA, Mr. LAMBORN, Mr. MCKEON, Mr. STEARNS, Mr. SOUDER, and Mr. FLAKE) introduced the following bill; which was referred to the Committee on Education and Labor

---

## A BILL

To amend the Labor-Management Reporting and Disclosure Act to provide for specified civil penalties for violations of that Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Labor Management  
5 Reporting and Disclosure Enforcement Act of 2008”.

1 **SEC. 2. CIVIL MONEY PENALTIES FOR FAILURE TO PRO-**  
2 **VIDE INFORMATION TO MEMBERS.**

3 Section 201 of the Labor-Management Reporting and  
4 Disclosure Act (29 U.S.C. 431), is amended—

5 (1) by redesignating subsection (c) as sub-  
6 section (c)(1); and

7 (2) by inserting thereafter the following:

8 “(2) Any labor organization that fails to meet the re-  
9 quirements of paragraph (1) with respect to a member,  
10 by refusing to make available the information required to  
11 be contained in a report required to be submitted under  
12 this subchapter, and any books, records, and accounts nec-  
13 essary to verify such report (unless such failure or refusal  
14 results from matters reasonably beyond the control of the  
15 labor organization) may in the court’s discretion, and in  
16 addition to any other relief provided by law, be liable to  
17 such member in the amount of up to \$250 a day from  
18 the date of such failure or refusal, and the court may in  
19 its discretion order such other relief as it deems proper.  
20 For purposes of this paragraph, each violation with re-  
21 spect to any single member shall be treated as a separate  
22 violation.”.

1 **SEC. 3. CIVIL MONEY PENALTIES FOR FAILURE TO FILE A**  
2 **TIMELY REPORT.**

3 Section 210 of the Labor-Management Reporting and  
4 Disclosure Act (29 U.S.C. 440) is amended to read as fol-  
5 lows:

6 **“SEC. 210. CIVIL ENFORCEMENT.**

7 “(a) IN GENERAL.—Whenever it shall appear that  
8 any person has violated or is about to violate any of the  
9 provisions of this title, or section 301(a), the Secretary  
10 may bring a civil action for such relief, including an in-  
11 junction and enforcement of administrative penalties im-  
12 posed pursuant to section 211, as may be appropriate.  
13 Any such action may be brought in the district court of  
14 the United States where the violation occurred or in the  
15 United States District Court for the District of Columbia.

16 “(b) SCOPE OF REVIEW.—Upon a complaint filed by  
17 the Secretary seeking relief under this section, the district  
18 court shall impose the civil money penalty that has been  
19 determined to be appropriate by the Secretary provided  
20 the person, labor organization, or employer against whom  
21 the relief is sought has been given written notice and af-  
22 forded an opportunity to be heard before the Secretary  
23 or a designee under procedures established by the Sec-  
24 retary pursuant to section 211. Such penalty shall not be  
25 imposed by the court if the Secretary’s determination is  
26 shown to be arbitrary and capricious. The court shall not

1 consider any objection or argument that was not raised  
2 in the proceedings before the Secretary.

3 “(c) APPROPRIATENESS OF INJUNCTIVE RELIEF.—  
4 Upon a complaint filed by the Secretary seeking relief  
5 under this section demonstrating that a person, labor or-  
6 ganization, or employer has failed to file timely and com-  
7 plete reports required by the statute, or has filed reports  
8 that are substantially incomplete or inaccurate, or that in-  
9 formation required to be reported may be lost or destroyed  
10 absent such relief, the district court shall issue an order  
11 enjoining continued violation of this title. Injunctive relief  
12 may be awarded in addition to any other additional civil  
13 or criminal remedy and whether or not the Secretary seeks  
14 enforcement of an administratively imposed civil money  
15 penalty.”.

16 **SEC. 4. ADMINISTRATIVE AUTHORITY TO IMPOSE CIVIL**  
17 **MONEY PENALTIES.**

18 Title II of the Labor-Management Reporting and  
19 Disclosure Act (29 U.S.C. 431 et seq.) is amended—

20 (1) by redesignating section 211 as section 212;

21 and

22 (2) by inserting after section 210 the following:

23 **“SEC. 211. CIVIL MONEY PENALTIES.**

24 “(a) IN GENERAL.—The Secretary, upon finding a  
25 violation of section 201(a), 201(b), 202, 203, 207, 212,

1 or 301(a), may assess against the person, labor organiza-  
2 tion or employer responsible for such violation a civil  
3 money penalty of up to \$250 a day from the date of the  
4 violation. The amount of this penalty shall be adjusted in  
5 accordance with the inflation adjustment procedures pre-  
6 scribed in the Federal Civil Penalties Inflation Adjustment  
7 Act of 1990, as amended.

8 “(b) LIMITATION.—No person, labor organization or  
9 employer shall be required to pay a penalty under this  
10 paragraph for any violation a material cause of which was  
11 reasonably beyond the control of that person, labor organi-  
12 zation or employer.

13 “(c) INCOMPLETE REPORTS.—A report rejected by  
14 the Secretary as incomplete shall be considered not filed  
15 for purposes of determining whether there has been a vio-  
16 lation of section 201(a), 201(b), 202, 203, 207, 212, or  
17 301(a) and a penalty may be assessed for such a violation.

18 “(d) MAXIMUM PENALTY.—A penalty imposed for a  
19 violation under this section, as determined by the Sec-  
20 retary, may not exceed \$250 a day or \$10,000 in aggre-  
21 gate, as adjusted in accordance with the inflation adjust-  
22 ment procedures prescribed in the Federal Civil Penalties  
23 Inflation Adjustment Act of 1990, as amended.

24 “(e) EFFECT ON CRIMINAL PENALTIES.—The impo-  
25 sition of civil money penalties under this section shall not

1 affect the availability of criminal sanctions against any  
2 person who knowingly or willfully violates a provision of  
3 this Act.

4 “(f) ADMINISTRATIVE PROCEDURES.—The Secretary  
5 shall establish standards and procedures governing the im-  
6 position of civil money penalties under subsection (a).  
7 Such standards and procedures shall—

8 “(1) provide for written notice to the person or  
9 entity alleged to have violated section 201(a),  
10 201(b), 202, 203, 207, 212, or 301(a) and an oppor-  
11 tunity to be heard before the Secretary or a des-  
12 ignee; and

13 “(2) be established by the Secretary pursuant  
14 to sections 208 and 606.

15 “(g) FACTORS IN DETERMINING AMOUNT OF PEN-  
16 ALTY.—In determining the amount of a penalty under  
17 subsection (a), consideration may be given to such factors  
18 as the gravity of the offense, any history of prior offenses  
19 (including offenses occurring before enactment of this sec-  
20 tion), ability to pay the penalty without material impair-  
21 ment of the ability to carry out representational functions  
22 or to honor other financial obligations, injury to unin-  
23 volved members of the labor organization, injury to the  
24 public, benefits received from the violation, deterrence of

1 future violations, and such other factors as the Secretary  
2 may determine to be appropriate.

3 “(h) JUDICIAL REVIEW.—

4 “(1) IN GENERAL.—After exhausting all admin-  
5 istrative remedies established by the Secretary under  
6 subsection (f), a person, labor organization, or em-  
7 ployer against whom the Secretary has imposed a  
8 civil money penalty under subsection (a) may obtain  
9 a review of the penalty in the United States District  
10 Court where the violation occurred or in the United  
11 States District Court for the District of Columbia,  
12 by filing in such court, within 30 days of the entry  
13 of a final order imposing such a penalty, a written  
14 petition that the Secretary’s order or determination  
15 be modified or be set aside in whole or in part.

16 “(2) STANDARD.—Upon petition for review of a  
17 penalty by a party against whom such a penalty has  
18 been ordered, the district court shall impose the civil  
19 money penalty determined to be appropriate by the  
20 Secretary, provided the person, labor organization,  
21 or employer against whom the relief is sought has  
22 been given written notice and afforded an oppor-  
23 tunity to be heard before the Secretary or a designee  
24 under procedures established by the Secretary pur-  
25 suant to section 211, unless the Secretary’s deter-

1 mination is shown to be arbitrary and capricious.

2 The court shall not consider any objection or argu-

3 ment that was not raised before the Secretary.

4 “(i) SETTLEMENT BY SECRETARY.—The Secretary

5 may compromise, modify, or remit any civil money penalty

6 that may be, or has been, imposed under this section.”.

7 **SEC. 5. TECHNICAL AND CONFORMING AMENDMENTS.**

8 The Labor-Management Reporting and Disclosure

9 Act is further amended—

10 (1) in section 205 (29 U.S.C. 435), by striking

11 “211” each place it appears and inserting “212”;

12 (2) in section 207(b) (29 U.S.C. 437(b)), by

13 striking “211” each place it appears and inserting

14 “212”; and

15 (3) in section 301(b) (29 U.S.C. 461(b)), by

16 striking “and 210” and inserting “210 and 211”.

○