

111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5860

To amend the Labor-Management Reporting and Disclosure Act to require the authorization of members of a labor organization before such organization may make certain political expenditures, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 26, 2010

Mr. HENSARLING (for himself, Mr. BACHUS, Mr. MCCARTHY of California, and Ms. JENKINS) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To amend the Labor-Management Reporting and Disclosure Act to require the authorization of members of a labor organization before such organization may make certain political expenditures, 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 “Union Member Protec-  
5       tion Act”.

6       **SEC. 2. FINDINGS.**

7       Congress finds the following:

1           (1) Labor unions make significant political con-  
2 tributions and expenditures that directly or indi-  
3 rectly influence the election of candidates and sup-  
4 port or oppose political causes. Decisions to use  
5 union dues for political contributions and expendi-  
6 tures are usually made by union leadership and  
7 management, rather than union membership.

8           (2) Unions, acting through their management,  
9 should be obligated to conduct business in the best  
10 interests of their membership.

11           (3) Historically, union members have not had a  
12 way to know, or to influence, the political activities  
13 of unions that are supposed to represent them.  
14 Union members and the public have a right to know  
15 how unions are spending members' dues to make po-  
16 litical contributions or expenditures benefitting can-  
17 didates, political parties, and political causes.

18           (4) Unions should be accountable to their mem-  
19 bership in making political contributions or expendi-  
20 tures affecting Federal governance and public policy.  
21 Requiring the express approval of a union's member-  
22 ship for political contributions or expenditures will  
23 establish necessary accountability.

1 **SEC. 3. DISCLOSURE AND APPROVAL OF CERTAIN POLIT-**  
2 **ICAL EXPENDITURES.**

3 (a) IN GENERAL.—Title II of the Labor-Management  
4 Reporting and Disclosure Act (29 U.S.C. 431 et seq.) is  
5 amended by inserting after section 201 the following:

6 **“SEC. 201A. DISCLOSURE AND APPROVAL OF CERTAIN PO-**  
7 **LITICAL EXPENDITURES BY LABOR ORGANI-**  
8 **ZATIONS.**

9 “(a) DISCLOSURE.—The report required under sec-  
10 tion 201 shall contain, in a clear and simple format—

11 “(1) a description of the specific nature of any  
12 expenditures for political activities proposed to be  
13 made by the labor organization for the forthcoming  
14 fiscal year, to the extent the specific nature is known  
15 to the labor organization and including the total  
16 amount of such proposed expenditures; and

17 “(2) a disclosure of how each officer of the  
18 labor organization voted to authorize or not to au-  
19 thorize each expenditure for political activities made  
20 by the labor organization during the preceding fiscal  
21 year.

22 “(b) RESTRICTION ON EXPENDITURES.—No labor  
23 organization shall make any expenditure for political ac-  
24 tivities in any fiscal year unless—

1           “(1) such expenditure is of the nature of those  
2           proposed by the labor organization pursuant to sub-  
3           section (a); and

4           “(2) the full, free, and written authorization for  
5           such expenditures has been granted by a majority of  
6           the members of the labor organization.

7           “(c) MECHANISM FOR OBTAINING AUTHORIZA-  
8           TION.—Not later than 1 year after the date of enactment  
9           of the Union Member Protection Act, every labor organi-  
10          zation shall adopt a mechanism for obtaining, by secret  
11          ballot, the authorization of its members as required under  
12          subsection (b)(2).

13          “(d) LIABILITY.—The officers of a labor organization  
14          who authorize an expenditure without first obtaining the  
15          authorization of members required under subsection (b)(2)  
16          shall be jointly and severally liable in any action brought  
17          in any court of competent jurisdiction to any member of  
18          the labor organization or class of members for the amount  
19          of dues paid by such member or class of member during  
20          the 1 year period prior to the date that such expenditure  
21          was made.

22          “(e) DEFINITION OF EXPENDITURE FOR POLITICAL  
23          ACTIVITIES.—As used in this section:

24                  “(1) The term ‘expenditure for political activi-  
25                  ties’ means—

1           “(A) an independent expenditure, as such  
2 term is defined in section 301(17) of the Fed-  
3 eral Election Campaign Act of 1971 (2 U.S.C.  
4 431(17));

5           “(B) contributions to any political party,  
6 committee, or electioneering communication, as  
7 such term is defined in section 304(f)(3)(A) of  
8 the Federal Election Campaign Act of 1971 (2  
9 U.S.C. 434(f)(3)(A)); and

10           “(C) dues or other payments to trade asso-  
11 ciations or other tax exempt organizations that  
12 are, or could reasonably be anticipated to be,  
13 used for the purposes described in subpara-  
14 graph (A).

15           “(2) Such term shall not include—

16           “(A) direct lobbying efforts through reg-  
17 istered lobbyists employed or hired by the labor  
18 organization;

19           “(B) communications by a labor organiza-  
20 tion to its members and executive or adminis-  
21 trative personnel and their families; or

22           “(C) the establishment, administration,  
23 and solicitation of contributions to a separate  
24 segregated fund to be utilized for political pur-  
25 poses by a labor organization.”.

1 (b) CONFORMING AMENDMENTS.—

2 (1) Section 201(c) of such Act (29 U.S.C.  
3 431(c)) is amended by striking “make available the  
4 information required to be contained in” and insert-  
5 ing “provide”.

6 (2) Section 209(a) of such Act (29 U.S.C.  
7 439(a)) is amended by inserting “other than section  
8 201A” after “this title”.

9 **SEC. 4. REQUIREMENT OF VOTE BY PRINCIPAL OFFICERS.**

10 Section 201 of the Labor-Management Reporting and  
11 Disclosure Act (29 U.S.C. 431) is further amended by  
12 adding at the end the following:

13 “(f) The bylaws required under this section shall ex-  
14 pressly provide for a vote of the principal officers of the  
15 labor organization on any individual expenditure for polit-  
16 ical activities (as such term is defined in section 201A(e))  
17 in excess of \$50,000. A labor organization shall make pub-  
18 licly available the individual votes of principal officers re-  
19 quired by the preceding sentence within 48 hours of the  
20 vote, including in a clear and conspicuous location on the  
21 Internet website of the labor organization.”.

22 **SEC. 5. REPORT.**

23 The Comptroller General of the United States shall  
24 annually conduct a study on the compliance with the re-  
25 quirements of this Act by labor organizations and their

1 management. Not later than April 1 of each year, the  
2 Comptroller General shall submit to Congress a report of  
3 such study.

4 **SEC. 6. EFFECTIVE DATE.**

5       The amendments made by this Act shall take effect  
6 on the date of enactment of the Shareholder Protection  
7 Act of 2010.

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