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HOUSE BILL 408

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

KIP W. NICELY

AN ACT

**RELATING TO LABOR; REQUIRING LABOR ORGANIZATIONS TO ESTABLISH
SEPARATE FUNDS FOR POLITICAL PURPOSES; LIMITING CONTRIBUTIONS;
PROVIDING CRIMINAL PENALTIES.**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**Section 1. SHORT TITLE.--This act may be cited as the
"Labor Organization Deductions Act".**

**Section 2. DEFINITIONS.--As used in the Labor
Organization Deductions Act:**

**A. "fund" means a separate, segregated account
established by a labor organization for political purposes;
and**

**B. "labor organization" means an association,
union or other organization of employees and any agency,
employee representation committee or plan in which employees**

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1 participate that exists in whole or in part to advocate on
2 behalf of employees about grievances, labor disputes, wages,
3 rates of pay, hours of employment or conditions of work.
4 "Labor organization" includes employee associations and unions
5 for public employees, including the national education
6 association, the American federation of teachers and each
7 local education association or affiliate of a national
8 education association.

9 Section 3. LIMITS ON LABOR ORGANIZATION CONTRIBUTIONS. --

10 A. Except as provided in Subsection B of this
11 section, a labor organization shall not expend money for
12 lobbying, electoral and political activities not bearing on
13 the ratification or implementation of a collective bargaining
14 agreement. This prohibition includes independent expenditures
15 or contributions to a candidate, political party, voter
16 registration campaign or other political cause.

17 B. A labor organization shall only expend money
18 for lobbying, electoral and political activities not bearing
19 on the ratification or implementation of a collective
20 bargaining agreement if the labor organization establishes a
21 fund to be used for political purposes.

22 C. The labor organization shall ensure that:

23 (1) contributions to the fund are solicited
24 independently of any other solicitations by the labor
25 organization;

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1 (2) dues or other fees for membership in the
2 labor organization are not used for political purposes,
3 transferred to the fund or intermingled in any way with the
4 fund; and

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

8 Section 4. REGISTRATION--DISCLOSURE.--A fund established
9 by a labor organization pursuant to the Labor Organization
10 Deductions Act shall register as a political action committee
11 as required by law and file the financial reports for
12 political action committees required by law.

13 Section 5. ASSIGNMENTS TO LABOR ORGANIZATION.--

14 A. Except as provided in Subsection D of this
15 section, an employee of a person in New Mexico, including the
16 state or a political subdivision of the state, may sign and
17 deliver to his employer a written instrument directing the
18 employer to:

19 (1) deduct a specified sum from his monthly
20 wages; and

21 (2) pay the deduction to a labor organization
22 as assignee.

23 B. An employer that receives a written instrument
24 assigning a specified sum from the employee's wages shall:

25 (1) keep the instrument on file;

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1 (2) deduct the specified sum from the
2 employee's salary; and

3 (3) pay the deducted amount to the labor
4 organization designated by the employee.

5 C. The employer shall continue to make and pay the
6 deduction as directed by the employee until the employee
7 revokes or modifies the deduction in writing.

8 D. An employee shall not direct an employer to
9 deduct money from his wages and pay them to:

10 (1) a registered political action committee;

11 (2) a fund; or

12 (3) an intermediary that contributes to a
13 regional political committee or fund.

14 E. Nothing in this section prohibits a person from
15 making personal contributions to a registered political action
16 committee or a fund.

17 Section 5. CRIMINAL ACTS--PENALTIES.--

18 A. It is unlawful for a labor organization to make
19 a contribution by using money or other thing of value:

20 (1) secured by physical force, job
21 discrimination, membership discrimination or financial
22 reprisals or threats of any of these;

23 (2) from dues, fees or other money required
24 as a condition of membership in a labor organization or as a
25 condition of employment; or

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(3) obtained in a commercial transaction.

B. At the time the labor organization is soliciting money for the fund from an employee, it is unlawful for the labor organization to fail to:

(1) inform the employee of the fund's political purpose; and

(2) inform the employee of the employee's right to refuse to contribute without fear of reprisal.

C. It is unlawful for a labor organization to pay a member for a contribution to the fund by providing a bonus, expense account, rebate of dues or other membership fees or any other form of direct or indirect compensation.

D. Whoever violates the provisions of this section is guilty of a misdemeanor and upon conviction shall be sentenced in accordance with the provisions of Section 31-19-1 NMSA 1978.

Section 6. EFFECTIVE DATE. --The effective date of the provisions of this act is July 1, 1998.