FIRST REGULAR SESSION

SENATE BILL NO. 210

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR ONDER.

Pre-filed December 16, 2016, and ordered printed.

0510S.02I

ADRIANE D. CROUSE, Secretary.

AN ACT

To repeal sections 105.500 and 105.520, RSMo, and to enact in lieu thereof eighteen new sections relating to public labor organizations, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 105.500 and 105.520, RSMo, are repealed and eighteen

- 2 new sections enacted in lieu thereof, to be known as sections 105.500, 105.515,
- 3 105.520, 105.533, 105.535, 105.537, 105.540, 105.545, 105.550, 105.555, 105.560,
- 4 105.570, 105.575, 105.580, 105.583, 105.585, 105.590, and 105.595, to read as
- 5 follows:
 - 105.500. For purposes of sections 105.500 to 105.595, unless the
- 2 context otherwise requires, the following words and phrases mean:
- 3 (1) ["Appropriate unit" means] "Bargaining unit", a unit of employees
- 4 at any plant or installation or in a craft or in a function of a public body which
- 5 establishes a clear and identifiable community of interest among the employees
- 6 concerned:
- 7 (2) "Board", the state board of mediation established under
- 8 section 295.030;
- 9 (3) "Department", the department of labor and industrial
- 10 relations established under section 286.010;
- 11 (4) "Exclusive bargaining representative" [means], an organization which
- 12 has been designated or selected by a majority of the employees in [an
- 13 appropriate a bargaining unit as the representative of such employees in such
- 14 unit for purposes of collective bargaining;
- 15 (5) "Labor organization", any organization, agency, or employee
- 16 representation committee or plan, in which employees participate and
- 17 which exists for the purpose, in whole or in part, of dealing with a

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public body or public bodies concerning collective bargaining, grievances, labor disputes, wages, rates of pay, hour of employment, or conditions of work;

[(3)] (6) "Public body" [means], the state of Missouri, or any officer, agency, department, bureau, division, board or commission of the state, or any other political subdivision of or within the state.

105.515. The provisions of sections 105.520 to 105.595 shall apply to all public employees, labor organizations, and labor agreements between a labor organization and a public body, whether collective bargaining rights are granted to such entities in section 105.510 or by judicial decision.

105.520. Whenever such proposals are presented by the exclusive bargaining representative to a public body, the public body or its designated representative or representatives shall meet, confer and discuss such proposals relative to salaries and other conditions of employment of the employees of the public body with the labor organization which is the exclusive bargaining representative of its employees in a **bargaining** unit appropriate. Upon the completion of discussions, the results shall be reduced to writing and be presented to the appropriate administrative, legislative or other governing body in the form of an ordinance, resolution, bill or other form required for adoption, modification or rejection.

- 105.533. 1. Every labor organization shall adopt a constitution and bylaws and shall file a copy thereof with the department, together with a report, signed by its president and secretary or corresponding principal officers, containing the following information:
- (1) The name of the labor organization, its mailing address, and any other address at which it maintains its principal office or at which it keeps the records referred to in sections 105.533 to 105.560;
 - (2) The name and title of each of its officers;
- 9 (3) The initiation fee or fees required from a new or transferred 10 member and fees for work permits required by the reporting labor 11 organization;
 - (4) The regular dues or fees or other periodic payments required to remain a member of the labor organization; and
- 14 (5) Detailed statements, or references to specific provisions of 15 documents filed under this subsection which contain such statements,

showing the provisions made and procedures followed with respect to each of the following:

- (a) Qualifications for or restrictions on membership;
- 19 **(b)** Levying of assessments;

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- 20 (c) Participation in insurance or other benefit plans;
- 21 (d) Authorization for disbursement of funds of the labor 22 organization;
 - (e) Audit of financial transactions of the labor organization;
- 24 (f) The calling of regular and special meetings;
- 25 (g) The selection of officers and stewards and of any 26 representatives to other bodies composed of labor organizations' 27 representatives, with a specific statement of the manner in which each 28 officer was elected, appointed, or otherwise selected;
- 29 (h) Discipline or removal of officers or agents for breaches of 30 their trust;
- (i) Imposition of fines, suspensions, and expulsions of members, including the grounds for such action and any provision made for notice, hearing, judgment on the evidence, and appeal procedures;
 - (j) Authorization for bargaining demands;
 - (k) Ratification of contract terms; and
- 36 (l) Issuance of work permits.
- Any change in the information required by this subsection shall be reported to the department at the time the reporting labor organization files with the department the annual financial report required by subsection 2 of this section.
- 2. Every labor organization shall file annually with the department a financial report signed by its president and treasurer or corresponding principal officers containing the following information in such detail as may be necessary to accurately disclose its financial condition and operations for its preceding fiscal year:
- 46 (1) Assets and liabilities at the beginning and end of the fiscal 47 year;
 - (2) Receipts of any kind and the sources thereof;
- (3) Salary, allowances, and other direct or indirect disbursements, including reimbursed expenses, to each officer and employee who, during such fiscal year, received more than ten thousand dollars in the aggregate from such labor organization and any

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53 other labor organization affiliated with it or with which it is affiliated, or which is affiliated with the same national or international labor organization; 55

- (4) Direct and indirect loans made to any officer, employee, or member, which aggregated more than two hundred fifty dollars during the fiscal year, together with a statement of the purpose, security, if any, and arrangements for repayment;
- 60 (5) Direct and indirect loans to any business enterprise, together with a statement of the purpose, security, if any, and arrangements for repayment; and
 - (6) Other disbursements made by it including the purposes thereof, all in such categories as the department may prescribe.
 - 3. Every labor organization shall submit the report required by subsection 2 of this section in an electronic, readily and easily accessible format and shall make available the information required to be contained in such report to all of its members. Every such labor organization and its officers shall be under a duty enforceable at the suit of any member of such organization in the county where the violation occurred to permit such member for just cause to examine any books, records, and accounts necessary to verify such report. The court in such action may, in its discretion, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.
 - 105.535. 1. Every officer of a labor organization and every employee of a labor organization, other than an employee performing exclusively clerical or custodial services, shall file with the department a signed report listing and describing for his or her preceding fiscal year:
- 6 (1) Any stock, bond, security, or other interest, legal or equitable, which such person or his or her spouse or minor child directly or indirectly held in, and any income or any other benefit with monetary value, including reimbursed expenses, which such person or his or her spouse or minor child derived directly or indirectly from, any public 10 body whose employees such labor organization represents or is actively 11 seeking to represent, except payments and other benefits received as 13 a bona fide employee of such public body;
 - (2) Any transaction in which such person or his or her spouse or

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minor child engaged, directly or indirectly, involving any stock, bond, security, or loan to or from, or other legal or equitable interest in the business of a public body whose employees such labor organization represents or is actively seeking to represent;

- (3) Any stock, bond, security, or other interest, legal or equitable, which such person or his or her spouse or minor child directly or indirectly held in, and any income or any other benefit with monetary value, including reimbursed expenses, which such person or his or her spouse or minor child derived directly or indirectly from, any business a substantial part of which consists of buying from, selling or leasing to, or otherwise dealing with, the business of a public body whose employees such labor organization represents or is actively seeking to represent;
- (4) Any stock, bond, security, or other interest, legal or equitable, which such person or his or her spouse or minor child directly or indirectly held in, and any income or any other benefit with monetary value, including reimbursed expenses, which such person or his or her spouse or minor child derived directly or indirectly from, a business any part of which consists of buying from, or selling or leasing directly or indirectly to, or otherwise dealing with such labor organization;
- (5) Any direct or indirect business transaction or arrangement between such person or his or her spouse or minor child and any public body whose employees his organization represents or is actively seeking to represent, except work performed and payments and benefits received as a bona fide employee of such public body and except purchases and sales of goods or services in the regular course of business at prices generally available to any employee of such public body; and
- (6) Any payment of money or other thing of value, including reimbursed expenses, which such person or his or her spouse or minor child received directly or indirectly from any public body or any person who acts as a labor relations consultant to any public body.
- 2. The provisions of subdivisions (1), (2), (3), (4), and (5) of subsection 1 of this section shall not be construed to require any such officer or employee to report his bona fide investments in securities traded on a securities exchange registered as a national securities exchange under the Securities Exchange Act of 1934, in shares in an

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investment company registered under the Investment Company Act or in securities of a public utility holding company registered under the Public Utility Holding Company Act of 1935, or to report any income derived therefrom.

3. Nothing contained in this section shall be construed to require any officer or employee of a labor organization to file a report under subdivision (1) of subsection 1 of this section unless such person or his or her spouse or minor child holds or has held an interest, has received income or any other benefit with monetary value or a loan, or has engaged in a transaction described therein.

105.537. Nothing contained in the provisions of sections 105.533 to 105.560 shall be construed to require an attorney who is a member in good standing of the bar of any state, to include in any report required to be filed under the provisions of sections 105.533 to 105.560 any information which was lawfully communicated to such attorney by any of his clients in the course of a legitimate attorney-client relationship.

- 105.540. 1. The contents of the reports and documents filed with
 the department under the provisions of sections 105.533 and 105.535
 shall be considered a "public record" as that term is defined in section
 610.010 and shall not be closed pursuant to section 610.021. The
 department may publish any information and data obtained under such
 sections. The department may use the information and data for
 statistical and research purposes, and compile and publish such
 studies, analyses, reports, and surveys based thereon as it may deem
 appropriate.
 - 2. The department shall by regulation make reasonable provision for the inspection and examination, on the request of any person, of the information and data contained in any report or other document filed with him pursuant to section 105.533 or 105.535.
- 3. (1) The department shall by regulation provide for the furnishing of reports or other documents filed with the department under the provisions of sections 105.533 to 105.560, upon payment of a charge based upon the cost of the service.
- 18 (2) The department shall make available without payment of a 19 charge, or require any person to furnish, to such state agency as is 20 designated by law or by the governor of the state in which such person

has his principal place of business or headquarters, upon request of the governor of such state, copies of any reports and documents filed by such person with the department under the provisions of sections 105.533 or 105.535, or of information and data contained therein.

25 (3) All moneys received in payment of such charges fixed by the 26 department pursuant to this subsection shall be deposited in the 27 general revenue fund of the state.

105.545. Every person required to file any report under the provisions of sections 105.533 to 105.560 shall maintain records on the matters required to be reported which will provide in sufficient detail the necessary basic information and data from which the documents filed with the department may be verified, explained or clarified, and checked for accuracy and completeness, and shall include vouchers, worksheets, receipts, and applicable resolutions. Such records shall be kept available for examination for a period of not less than five years after the filing of the documents based on the information which they contain.

105.550. 1. Each labor organization shall file the initial report required under subsection 1 of section 105.533 within ninety days after the date on which it first becomes subject to the provisions of sections 105.533 to 105.560.

2. Each person required to file a report under the provisions of sections 105.533 to 105.560 shall file such report within ninety days after the end of each of its fiscal years, except that where such person is subject for only a portion of such a fiscal year, whether because the date of enactment of the provisions of sections 105.533 to 105.560 occurs during such person's fiscal year or such person becomes subject to the provisions of sections 105.533 to 105.560 during its fiscal year, such person may consider that portion as the entire fiscal year in making such report.

105.555. 1. Any person who knowingly violates any provision of sections 105.533 to 105.560 shall be fined not more than ten thousand dollars or imprisoned for not more than one year, or both.

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2. Any person who makes a false statement or representation of a material fact, knowing it to be false, or who knowingly fails to disclose a material fact, in any document, report, or other information required under the provisions of sections 105.533 to 105.560 shall be

- 8 fined not more than ten thousand dollars or imprisoned for not more
- 9 than one year, or both.
- 3. Any person who knowingly makes a false entry in or
- 11 knowingly conceals, withholds, or destroys any books, records, reports,
- 12 or statements required to be kept by any provision of sections 105.533
- 13 to 105.560 shall be fined not more than ten thousand dollars or
- 14 imprisoned for not more than one year, or both.
- 4. Each person required to sign reports under section 105.533
- 16 shall be personally responsible for the filing of such reports and for any
- 17 statement contained therein which he or she knows to be false.

shall be awarded for the enforcement of this section.

- 105.560. Whenever it shall appear that any labor organization or person has violated or is about to violate any of the provisions of sections 105.533 to 105.560, the department, a public body, or any person may bring a civil action for such relief, including injunctive relief, as may be appropriate. Any such action may be brought in the county where the violation occurred and damages and attorney's fees
- 105.570. 1. Supervisory employees shall not be included within 2 the same bargaining unit as employees they supervise.
- 3 2. The same labor organization shall not represent both non-4 supervisory and supervisory employees.
- 3. For the purposes of this section, the term "supervisory employee" means anyone with supervisory status, managerial status, confidential status or any other status that would be a conflict of interest with the purpose of sections 105.570 to 105.595.
- 105.575. 1. Any labor organization wishing to represent employees shall present to the board cards containing the signatures of at least thirty percent of the employees in the bargaining unit, indicating that they wish to select the labor organization in question as their exclusive bargaining representative for the purpose of collective bargaining. Voluntary recognition by any public body shall be prohibited. Recognition may only be obtained by a labor organization through an election before the board.
- 2. Upon receiving such cards, the board shall validate the signatures on the cards, and confirm that at least thirty percent of the employees in the bargaining unit have signed the cards. If the board determines that at least thirty percent of the employees in the

bargaining unit have signed valid cards, the board shall consult with
the public body and the representative of the labor organization that
has presented the cards, and together they shall select a mutually
agreeable date for a secret ballot election to take place. The election
shall be held at the public body's place of business, and shall be set for
a date falling no less than four and no more than six weeks after the
day upon which the board determines the bargaining unit for election,
unless the board, the public body, and the representative of the labor
organization all agree upon an earlier date.

- 3. Once an election date has been set, the public body shall issue a notice informing all eligible voters of the date, time, and place of the election. Such notice shall be distributed to all employees and shall be posted within the public body's place of business.
- 4. From the time the election notice is first posted until the date of the election, all employees shall have the right to freely express their opinions about whether or not the labor organization should be selected as the exclusive bargaining representative of the employees in the bargaining unit. However, no employee and no representative of the labor organization shall attempt to threaten, intimidate, coerce, or otherwise restrain any eligible voter in the free exercise of his or her individual choice to support or oppose the selection of the labor organization in question as the exclusive bargaining representative of the employees in the bargaining unit.
- 5. Elections shall be conducted by secret ballot, using such procedures as the board shall determine are appropriate for ensuring the privacy and security of each employee's vote. Once the poll is closed, the board shall oversee the counting of the ballots. One representative of the public body's management team and one representative of the labor organization shall have the right to be present during the counting of the ballots.
- 6. The ballots shall read "Do you wish to select (labor organization) as the exclusive bargaining representative for (description of bargaining unit) employed within (description of public body)?" The ballot shall include check boxes for marking "yes" or "no" in response to this question.
- 7. In the event that more than one labor organization seeks to represent employees in the unit, and in the event both labor

50 organizations have obtained signatures from at least thirty percent of the employees in the unit stating that they wish to designate the labor organization as their exclusive bargaining representative, then the ballot shall read "Do you wish to select (labor organization A), (labor organization B), or no labor organization as the exclusive bargaining representative for (description of bargaining unit) employed within the (description of public body)?" The ballot shall then include check boxes for marking "I wish to select (labor organization A) as my exclusive bargaining representative," "I wish to select (labor organization B) as my exclusive bargaining representative," and "I do not wish to select any labor organization as my exclusive bargaining representative."

- 8. Any labor organization receiving more than fifty percent of the votes of all eligible voters shall be designated and recognized by the public body as the exclusive bargaining representative for all employees in the bargaining unit.
- 9. Employees within the bargaining unit shall have the right to seek to decertify the labor organization as their exclusive bargaining representative at any time. If any employee within the bargaining unit presents to the board cards bearing the signatures of at least thirty percent of the employees within the bargaining unit stating that those employees no longer wish to be represented by the labor organization in question, the board shall first validate the signatures on the cards.
- 10. If the board confirms that at least thirty percent of the employees in the bargaining unit have signed decertification cards, the board shall consult with the public body and the designated representative of the labor organization to select a date for a decertification election. Such election shall take place at least four weeks, but no later than six weeks, after the board receives the decertification cards. Notice of such election shall be distributed to all employees within the bargaining unit and posted within the public body's place of business.
- 11. If more than fifty percent of the employees in the bargaining unit cast votes to terminate the labor organization's representation of the employees in the bargaining unit, the labor organization shall immediately cease to represent the employees in the bargaining unit.
- 12. Labor organizations shall be recertified on an annual basis.

 To meet the annual recertification requirement, continuation of the

labor organization's status as the exclusive representative shall be favored in a secret ballot election conducted by the board by more than fifty percent of the employees in the bargaining unit. Employees shall vote by telephone or on-line from the last Tuesday in March to the first

- 90 vote by telephone or on-line from the last Tuesday in March to the first
- 91 Tuesday in April.
- 13. In the event of the decertification of the exclusive bargaining representative of the employees in any bargaining unit or failure to recertify a labor organization, all terms and conditions of employment existing at the time of decertification or failure to recertify shall remain in place until such time as those terms or conditions of employment are altered by the public body.
- 14. No more than one election shall take place in any bargaining unit within the same twelve-month period. Once an election takes place, the board shall not accept cards from labor organizations or employees within the bargaining unit seeking another election for one full calendar year after the date of the election.
- 103 15. The board shall assess and collect a fee from each labor 104 organization participating in an election conducted under this section 105 for the purpose of paying for such election as follows:
- 106 (1) For a bargaining unit of one to one hundred members, a fee 107 of two hundred dollars;
- 108 (2) For a bargaining unit of one hundred one to two hundred 109 fifty members, a fee of three hundred fifty dollars;
- 110 (3) For a bargaining unit of two hundred fifty-one to five 111 hundred members, a fee of five hundred dollars;
- 112 (4) For a bargaining unit of five hundred one to one thousand 113 members, a fee of seven hundred fifty dollars;
- 114 (5) For a bargaining unit of one thousand one to three thousand 115 members, a fee of one thousand five hundred dollars;
- 116 (6) For a bargaining unit of more than three thousand members, 117 a fee of two thousand dollars.

105.580. 1. Within four weeks after a labor organization is certified as the exclusive bargaining representative for the employees in a bargaining unit as set out in section 105.575, representatives of the public body, designated by the public body, and representatives of the labor organization, selected by the labor organization, shall meet and begin bargaining for an agreement covering the wages, benefits, and

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7 other terms and conditions of employment for the employees within the bargaining unit.

- 9 2. No labor organization may refuse to meet with designated representatives of any public body or engage in conduct intended to 10 cause the removal or replacement of any designated representative by 11 12 the public body.
 - 3. The labor organization and the public body shall engage in bargaining with each other's designated representatives, but neither side shall be required to offer any particular concession or withdraw any particular proposal.
 - 4. The public body shall not pay any labor organization representative or employee for time spent participating in collective bargaining or preparing for collective bargaining on behalf of a labor organization, except to the extent the person in question is an employee of the public body and elects to use accrued paid time off to cover the time so spent.
- 23 5. Before any proposed agreement or memorandum understanding is presented to a public body, the labor organization, as 24a condition of its presentation, shall establish that it has been ratified 25by a majority of its members. The public body may approve the entire 26agreement or any part thereof. If the public body rejects any portion 2728of the agreement, the public body may return any rejected portion of 29the agreement to the parties for further bargaining, or the public body 30 may adopt a replacement provision of its own design, or the public 31 body may state that no provision covering the topic in question shall 32be adopted. Any tentative agreement reached between the parties' representatives shall not be binding on the public body or labor 33 organization. 34
 - 6. A public body and a labor organization shall not be subject to binding mediation, binding interest arbitration, or interest arbitration in the event the parties are unable to reach an agreement.
- 38 7. After the first agreement between the public body and the labor organization is adopted, bargaining for renewal agreements shall 39 take place annually. Such bargaining shall be completed by July thirtyfirst of each calendar year. The parties may elect to bargain non-41 42economic terms for longer periods but all economic provisions of the agreement shall be adopted on an annual basis only. 43

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105.583. 1. A meeting concerning a labor agreement between a public body or its agent and an exclusive bargaining representative or its agent shall be considered a "public meeting" as that term is defined in section 610.010 and shall not be closed pursuant to section 610.021. The provisions of this subsection apply whether or not such meeting is conducted under sections 105.500 to 105.530.

- 7 2. Any document presented by a public body during a meeting concerning a labor agreement, or that the public body receives from an exclusive bargaining representative, shall be considered a "public record" as that term is defined in section 610.010 and shall not be closed pursuant to section 610.021. 11
- 12 3. This section shall not apply to any part of a meeting during 13 which a public body or its agent is planning or adopting the strategy or position to be taken during the course of a collective bargaining 14 15 session.

105.585. Labor agreements negotiated between a public body and labor organization may cover wages, benefits, and all other terms and 3 conditions of employment for employees within the bargaining unit, and shall be subject to the following limitations:

- (1) Every labor agreement shall include a provision reserving to 5 the public body the right to hire, promote, assign, direct, transfer, schedule, discipline, and discharge employees. Every labor agreement shall also include a provision reserving to management the right to make, amend, and rescind reasonable work rules and standard 10 operating procedures;
- (2) Every labor agreement shall expressly prohibit all strikes and picketing of any kind. A strike shall include any refusal to perform 12services, walkout, sick-out, sit-in, or any other form of interference 13 14 with the operations of any public body. Every labor agreement shall include a provision acknowledging that any employee who engages in 16 any strike or concerted refusal to work, or who pickets over any personnel matter, shall be subject to immediate termination of employment;
- 19 (3) Every labor agreement shall include a provision extending the duty of fair representation by the labor organization to employees 20 in any bargaining unit; 21
 - (4) Every labor agreement shall expressly prohibit labor

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23 organization representatives and employees from accepting paid time 24 by a public body for the purposes of conducting labor organization-25 related business, including, but not limited to, grievance handling, negotiations, meetings, meet and confer sessions, time off to attend 2627labor organization meetings, or any other labor organization-related activity; 28

- (5) Every labor agreement shall inform employees their right to refrain from engaging in and supporting labor organization activity as well as their right to oppose labor organization activity;
- (6) Every labor agreement shall include a provision stating that in the event of a budget shortfall, the public body shall have the right 34 to require the modification of the economic terms of any labor agreement. Every labor agreement shall also state that if the public body deems it necessary to modify the economic terms of any labor 36 agreement, the public body shall so notify the relevant labor 37 organization, and shall provide a period of thirty days during which 39 the public body and the labor organization shall bargain over any necessary adjustments to the economic terms of the agreement, and if, at the end of the thirty-day period, the parties have been unable to agree upon modifications that meet the public body's requirements, the public body shall have the right to make necessary adjustments on its own authority.

105.590. The secretary or corresponding principal officer of each 2 labor organization shall forward a complete copy of each agreement made by such labor organization with any public body to any employee who requests such a copy and whose rights as such employee are directly affected by such agreement.

105.595. Whenever it shall appear that any labor organization or representative of any labor organization has violated or is about to violate any of the provisions of sections 105.570 to 105.595, the department, a public body, or any citizen of the state of Missouri may bring a civil action for such relief, including injunctive relief, as may be appropriate. Any such action may be brought in the county where the violation occurred and damages and attorneys' fees shall be awarded for the enforcement of the provisions of sections 105.750 to 105.595.

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