

**SB**

**151**

**HFIN**

**FILE**

# FISCAL NOTE

STATE OF ALASKA  
199 / LEGISLATIVE SESSION

BILL NO. HCSSB 151(FIN)

Title: Public Employment Labor Relations

Dept. Affected: Law

BRU: Civil Division

Sponsor: Senate Finance

Components: General Legal Services

Requestor: \_\_\_\_\_

Serial # 2087

**EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)**

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Personal Services	26.9	26.9	26.9	26.9	26.9	26.9
Travel	0.4	0.4	0.4	0.4	0.4	0.4
Contractual	4.0	4.0	4.0	4.0	4.0	4.0
Supplies	0.6	0.6	0.6	0.6	0.6	0.6
Equipment	3.2	3.2	3.2	3.2	3.2	3.2
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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**FUNDING: (THOUSANDS OF DOLLARS)**

General Fund	35.0	35.0	35.0	35.0	35.0	35.0
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>	<b>35.0</b>

**POSITIONS:**

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Tempo	0	0	0	0	0	0


**ANALY**

**PAGE IF NECESSARY)**

*all dated*

Prepared by: House Finance Committee

Date: 4/8/97

  
Rep. Gene Therriault, Co-Chair

Phone: 465-4939

Phone: 465-4797

Rep. Mark Hanley, Co-Chair

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. HCSSB 151(FIN)

Title: Public Employment Labor Relations  
Sponsor: Senate Finance  
Requestor: \_\_\_\_\_

Dept. Affected: Courts  
BRU: Trial Courts  
Components: \_\_\_\_\_  
Serial # 768

**EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)**

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Personal Services	10.0	10.0	10.0	10.0	10.0	10.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>CAPITAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>REVENUE</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUNDING: (THOUSANDS OF DOLLARS)**

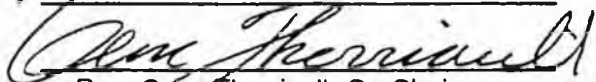
General Fund	10.0	10.0	10.0	10.0	10.0	10.0
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>

**POSITIONS:**

Full-Time	0	0	0	0	0	0
Part-Time	1	1	1	1	1	1
Temporary	0	0	0	0	0	0

**ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)**

Prepared by: House Finance Committee

  
Rep. Gene Therriault, Co-Chair

Date: 4-8/97

Phone: 465-4939

Phone: 465-4797

\_\_\_\_\_  
Rep. Mark Hanley, Co-Chair

# FISCAL NOTE

STATE OF ALASKA  
1997 LEGISLATIVE SESSION

BILL NO. HCSSB 151(FIN)

Title: Public Employment Labor Relations  
Sponsor: Senate Finance  
Requestor: \_\_\_\_\_

Dept. Affected: Labor  
BRU: Office of the Commissioner  
Components: \_\_\_\_\_  
Serial # 1200

**EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)**

OPERATING	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
Personal Services	57.4	57.4	57.4	57.4	57.4	57.4
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	5.0	5.0	5.0	5.0	5.0	5.0
<b>TOTAL OPERATING</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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**FUNDING: (THOUSANDS OF DOLLARS)**

General Fund	62.4	62.4	62.4	62.4	62.4	62.4
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>	<b>62.4</b>

**POSITIONS:**

Full-Time	0	0	0	0	0	0
Part-Time	2	2	2	2	2	2
Temporary	0	0	0	0	0	0

**ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)**

Fiscal note will fund one six month funded Admin. Clerk III (Range 10) and one six month funded Hearing Officer (Range 21). 5.0 is also listed in misc. for supplies and equipment.

Prepared by: House Finance Committee

  
Rep. Gene Therriault, Co-Chair

Date: 4/8/97

Phone: 465-4939

Phone: 465-4797

\_\_\_\_\_  
Rep. Mark Hanley, Co-Chair

# FISCAL NOTE

**STATE OF ALASKA  
1998 LEGISLATIVE SESSION**

**BILL NO. CSSB 151(FIN)am**

Revision Date (Note if correction) \_\_\_\_\_ Dept. Affected Law  
 Title "An Act relating to public employment labor" BRU Civil Division  
 Component Governmental Affairs  
 Sponsor Senate Finance Committee  
 Requester House Finance Committee Component Serial No. 2207

**Expenditures/Revenues (Thousands of Dollars)**

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	226.4	226.4	226.4	226.4	226.4	226.4
Travel	5.6	5.6	5.6	5.6	5.6	5.6
Contractual	41.4	41.4	41.4	41.4	41.4	41.4
Supplies	3.6	3.6	3.6	3.6	3.6	3.6
Equipment	13.0					
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>290.0</b>	<b>277.0</b>	<b>277.0</b>	<b>277.0</b>	<b>277.0</b>	<b>277.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	290.0	277.0	277.0	277.0	277.0	277.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>290.0</b>	<b>277.0</b>	<b>277.0</b>	<b>277.0</b>	<b>277.0</b>	<b>277.0</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time	2	2	2	2	2	2
Part-time						
Temporary						

**ANALYSIS: (Attach a separate page if necessary)**

The Department of Law will need two additional attorneys to deal with the new cases that will result from the bill's creation of a right to appeal grievance arbitration awards to the superior court under AS 44.62. Presently such arbitration awards are subject to only limited court review.

The full-time equivalent cost estimate is based on the department's standard attorney cost schedule (\$133,517) and includes clerical support, communications, space, supplies, data processing, and other normal overhead expenses. Case specific travel and contractual costs and one-time equipment purchases are not included in the rate, and so are added separately. (\$5,000 and \$6,500 per position respectively.)

Prepared by Joan M. Kasson  
 Division Attorney General's Office  
 Approved by Commissioner Bruce M. Botelho, Attorney General  
 Agency Department of Law

Phone 465-5370  
 Date 5/6/98  
 Date 5/6/98

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**PUBLIC SAFETY EMPLOYEES ASSOCIATION  
"REPRESENTING ALASKA'S FINEST"**

4300 Boniface Parkway, #116  
Anchorage, AK 99504-4387  
(907)337-1979 FAX:(907)337-1753

Alaska State House Finance Committee  
State Capitol  
Juneau, AK 99801-1182

May 7, 1998

Dear House Finance Committee members:

The Public Safety Employees Association opposes Senate Bill 151. This bill re-writes the Public Employees Relations Act (PERA).

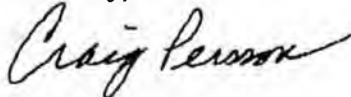
PERA has been effectively working for 25 years. Members of PSEA have not had complaints about their Association in regards to elections or unethical behavior. This bill completely over-regulates how public employee unions operate. SB151 tries to solve a problem that is not there.

Also, this bill is an anti-worker right to work piece of legislation. The sections which contain phrases such as "voluntary dues deduction" leads one to believe that the sponsor(s) of this bill are out to decimate public employee organized labor.

Lastly, this bill is very costly. With a fiscal note of more than one million dollars for fiscal year 99 this legislation will ultimately cost Alaskans more than 20 million dollars over the next 20 years.

I urge each and every one of you to not pass SB151 out your committee. SB151 is too costly and an unnecessary piece of legislation which only adds more regulation and bureaucracy to our state government.

Sincerely,



Craig Persson  
PSFA Legislative Liaison

\*\*\*END\*\*\*

Adopted 5/11/97

HOUSE CS FOR CS FOR SENATE BILL NO. 151( )

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY

Offered:

R :

Sponsor(s): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to public employment labor relations; relating to the protection  
 2 of the rights of public employees under the Public Employment Relations Act;  
 3 establishing ethical standards for union representatives of public employees; and  
 4 establishing disclosure requirements for public employee labor organizations."

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 \* Section 1. AS 23.40.100 is amended by adding a new subsection to read:

7 (f) The labor relations agency may not investigate a petition by a labor  
 8 organization and may not place the name of a labor organization on a ballot under this  
 9 section unless the organization has filed all reports required of the organization under  
 10 AS 23.40.400. This subsection does not apply to a labor organization that is exempt  
 11 under AS 23.40.510 from the reporting requirements of AS 23.40.400.

12 \* Sec. 2. AS 23.40.110(b) is amended to read:

13 (b) Nothing in this chapter prohibits a public employer from making an  
 14 agreement with an organization to require as a condition of employment

1                    [(1) MEMBERSHIP IN THE ORGANIZATION WHICH  
2 REPRESENTS THE UNIT ON OR AFTER THE 30TH DAY FOLLOWING THE  
3 BEGINNING OF EMPLOYMENT OR ON THE EFFECTIVE DATE OF THE  
4 AGREEMENT, WHICHEVER IS LATER; OR

5                    (2)] payment by the employee to the exclusive bargaining agent of a  
6 service fee to reimburse the exclusive bargaining agent for the expense of representing  
7 the members of the bargaining unit. The service fee may only include  
8 reimbursement for collective bargaining activities, including the adjustment of  
9 grievances.

10 \* Sec. 3. AS 23.40.110 is amended by adding new subsections to read:

11                    (d) The expression or dissemination of views, argument, or opinion in any  
12 form does not constitute and is not evidence of an unfair labor practice under this  
13 chapter so long as the expression does not contain a threat of reprisal or force or a  
14 promise of benefit.

15                    (e) A statement or action of a member of the legislature, a justice or judge, or  
16 a member of the legislative body of a political subdivision of the state may not be  
17 considered to be an unfair labor practice under this section if the statement or action  
18 was within the scope of the individual's normal duties and if the individual was not  
19 at the time of the statement or action designated to act as the agent of the public  
20 employer in collective bargaining or the adjustment of grievances.

21 \* Sec. 4. AS 23.40.210(a) is amended to read:

22                    (a) Upon the completion of negotiations between an organization and a public  
23 employer, if a settlement is reached, the employer shall reduce it to writing in the form  
24 of an agreement. The agreement must [MAY] include a term for which it will remain  
25 in effect, not to exceed three years. The agreement may not contain a provision for  
26 automatic renewal. The agreement must [SHALL] include a pay plan designed to  
27 provide for a cost-of-living differential between the salaries paid employees residing  
28 in the state and employees residing outside the state. The plan must [SHALL] provide  
29 that the salaries paid, as of August 26, 1977, to employees residing outside the state  
30 shall remain unchanged until the difference between those salaries and the salaries paid  
31 employees residing in the state reflects the difference between the cost of living in

1 Alaska and living in Seattle, Washington. The agreement: must [SHALL] include a  
2 grievance procedure that, during its term, has [WHICH SHALL HAVE] binding  
3 arbitration as its final step. Either party to the agreement has a right of action to  
4 enforce the agreement by petition to the labor relations agency. However, unless the  
5 labor organization is exempt from reporting requirements under AS 23.40.510, a  
6 labor organization that has failed to file the reports required by AS 23.40.400 may  
7 not petition the labor relations agency to enforce an agreement under this section.

8 \* Sec. 5. AS 23.40.215(a) is amended to read:

9 (a) The monetary terms of any agreement: entered into under this chapter and  
10 the extension or modification of an agreement, including an award by an  
11 arbitrator acting under AS 23.40.200, if the extension or modification affects in  
12 any way the monetary terms of an agreement, [AS 23.40.070 - 23.40.260] are  
13 subject to funding through [LEGISLATIVE] appropriation by the legislature or by  
14 the legislative body of a political subdivision that is subject to this chapter, as  
15 appropriate. A monetary term of an agreement is not effective or enforceable  
16 until the term has been approved and funded under this section.

17 \* Sec. 6. AS 23.40.215(b) is amended to read:

18 (b) The Department of Administration shall submit the monetary terms of an  
19 agreement, an arbitrator's award under AS 23.40.200, or an extension, or  
20 modification of an agreement, to the legislature within 10 legislative days after the  
21 agreement of the parties [,] if the legislature is in session, or within 10 legislative days  
22 after the convening of the next regular session. The legislature shall advise the parties  
23 by concurrent resolution if it approves or disapproves of the monetary terms within 60  
24 legislative days after the agreement is submitted to the legislature. The approval of  
25 the monetary terms of an agreement under this subsection is a nonbinding, advisory  
26 expression of legislative intent. If within 60 legislative days after the agreement is  
27 submitted the legislature advises the parties by concurrent resolution that it disapproves  
28 the monetary terms of the agreement, the parties shall [MAY] resume negotiations.  
29 This subsection applies to an agreement, award, extension, or modification  
30 between the state, including the University of Alaska or a public corporation of  
31 the state, and a labor organization representing state employees.

1 \* Sec. 7. AS 23.40.215 is amended by adding new subsections to read:

2 (d) An agreement, resolution, settlement, or arbitrator's award during the term  
3 of a collective bargaining agreement between the state and a labor organization that

4 (1) will require the expenditure of \$10,000 or more over the life of the  
5 collective bargaining agreement or that requires the state to forego repayment of  
6 money owed to the state may not take effect until at least 30 days after a copy of the  
7 terms has been received by the Legislative Budget and Audit Committee for review;

8 (2) substantially modifies the monetary terms reported to the legislature  
9 under (a) of this section is subject to approval by the legislature as provided in (a) and  
10 (b) of this section and is not effective unless and until it receives legislative funding  
11 and approval.

12 (e) The legislative body of a political subdivision that is an employer under  
13 this chapter may, by ordinance or resolution, provide a system of review and approval  
14 of the monetary terms of collective bargaining agreements consistent with this section.

15 \* Sec. 8. AS 23.40.220 is amended to read:

16 **Sec. 23.40.220. Labor or employee organization dues and employee**  
17 **benefits, deduction and authorization.** Upon the voluntary written authorization of  
18 a public employee within a bargaining unit, the public employer shall deduct from the  
19 payroll of the public employee the monthly amount of membership dues [, FEES,]  
20 and other employee benefits as certified by the secretary of the exclusive bargaining  
21 representative and shall deliver it to the chief fiscal officer of the exclusive bargaining  
22 representative. An authorization under this subsection may not be made  
23 irrevocable for a period longer than one year.

24 \* Sec. 9. AS 23.40.220 is amended by adding new subsections to read:

25 (b) Upon the voluntary written authorization of a public employee required to  
26 pay a service fee under AS 23.40.110(b), the public employer shall deduct from the  
27 salary of the employee the monthly amount of the service fee or other employee  
28 benefits as certified by the secretary of the exclusive bargaining representative and  
29 shall deliver the amount withheld to the chief fiscal officer of the exclusive bargaining  
30 representative. The authorization may not be made irrevocable beyond the expiration  
31 of the collective bargaining agreement under which it was made or for a period longer

1 than one year, whichever occurs first.

2 (c) An authorization form presented to a public employee by a public employer  
3 or labor organization must clearly state that an employee required to pay a service fee  
4 under AS 23.40.110(b) is obligated to pay, as a condition of employment, only a  
5 service fee for representation and may not be compelled to be or become a member  
6 of a labor organization as a condition of employment or to provide monetary support  
7 to a labor organization's social, fraternal, or political activities.

8 \* Sec. 10. AS 23.40.250 is amended to read:

9 **Sec. 23.40.250. Definitions. Except as otherwise provided in AS 23.40.590,**  
10 **in this chapter [IN AS 23.40.070 - 23.40.260], unless the context otherwise requires,**

11 (1) **"bargaining unit member" means an employee of a public**  
12 **employer who is employed in a position or job classification in a unit that has**  
13 **been recognized by the public employer or that has been determined by the labor**  
14 **relations agency to be appropriate for collective bargaining;**

15 (2) "collective bargaining" means the performance of the mutual  
16 obligation of the public employer or the employer's designated representatives and the  
17 representative of the employees to meet at reasonable times, including meetings in  
18 advance of the budget making process, and negotiate in good faith with respect to  
19 wages, hours, and other terms and conditions of employment, or the negotiation of an  
20 agreement, or negotiation of a question arising under an agreement and the execution  
21 of a written contract incorporating an agreement reached [IF REQUESTED BY  
22 EITHER PARTY], but these obligations do not compel either party to agree to a  
23 proposal or require the making of a concession;

24 (3) [(2)] "election" means a proceeding conducted by the labor relations  
25 agency in which the employees in a collective bargaining unit cast a secret ballot for  
26 collective bargaining representatives, or for any other purpose specified in this chapter  
27 [AS 23.40.070 - 23.40.260];

28 (4) **"fee payer" or "service fee payer" means a person in a**  
29 **collective bargaining unit who is obligated to pay a service fee;**

30 (5) **"intentionally" has the meaning given in AS 11.81.900;**

31 (6) **"knowingly" has the meaning given in AS 11.81.900;**

1           (7) [(3)] "labor relations agency" means the Alaska labor relations  
2 agency established in AS 23.05.360;

3           (8) "member" or "member in good standing," when used in  
4 reference to a labor organization, includes a person who has fulfilled the  
5 requirements for membership in the organization, and who neither has voluntarily  
6 withdrawn from membership nor has been expelled or suspended from  
7 membership after appropriate proceedings consistent with lawful provisions of the  
8 constitution and bylaws of the organization;

9           (9) [(4)] "monetary terms of an agreement" means the changes in the  
10 terms and conditions of employment from a predecessor agreement, or from the  
11 terms and conditions established by statute, ordinance, resolution, or other means,  
12 resulting from an agreement that will require the expenditure of public money [AN  
13 APPROPRIATION] for their implementation or will result in a change in [STATE]  
14 revenues of the public employer or productive work hours for public [STATE]  
15 employees;

16           (10) "officer" means a constitutional officer, a person authorized  
17 to perform the functions of president, vice-president, secretary, treasurer, or other  
18 executive functions of a labor organization, and a member of its executive board  
19 or similar governing body, including an employee or agent of a labor organization  
20 who acts at the direction of an officer;

21           (11) "officer, agent, shop steward, or other representative," when  
22 used with respect to a labor organization, includes elected officials and key  
23 administrative personnel, whether elected or appointed, including business agents,  
24 heads of departments or major units, and organizers who exercise substantial  
25 independent authority, but does not include salaried nonsupervisory professional  
26 s/aff, stenographic, and service personnel;

27           (12) [(5)] "organization" means a labor or employee organization of any  
28 kind, an agency, or employee representative committee, group, association, or plan  
29 in which employees participate and that [WHICH] exists for the [PRIMARY] purpose,  
30 in whole or in part, of dealing with public employers concerning grievances, labor  
31 disputes, wages, rates of pay, hours of employment, and other terms and conditions

1 of employment;

2 (13) "person" includes a labor organization:

3 (14) [(6)] "public employee" means any employee of a public employer,  
4 whether or not in the classified service of the public employer, except elected or  
5 appointed officials or superintendents of schools;

6 (15) [(7)] "public employer" means the state or a political subdivision  
7 of the state, including without limitation, a municipality, district, school district,  
8 regional educational attendance area, board of regents, public and quasi-public  
9 corporation, housing authority, or other authority established by law, and a person  
10 designated by the public employer to act in its interest in dealing with public  
11 employees;

12 (16) [(8)] "regional educational attendance area" means an educational  
13 service area in the unorganized borough that may or may not include a military  
14 reservation [,] and that contains one or more public schools of grade levels K - 12 or  
15 any portion of those grade levels that are to be operated under the management and  
16 control of a single regional school board;

17 (17) "secret ballot" means the expression by ballot, voting machine,  
18 or otherwise, but in no event by proxy, of a choice with respect to an election or  
19 vote taken on a matter, which is cast in such a manner that the person expressing  
20 the choice cannot be identified with the choice expressed;

21 (18) "service fee" means a fee authorized by AS 23.40.110(b) for  
22 the costs associated with representation;

23 (19) [(9)] "terms and conditions of employment"

24 (A) means the hours of employment, the compensation and  
25 fringe benefits, and the employer's personnel policies affecting the working  
26 conditions of the employees; but

27 (B) does not mean the general policies describing the function  
28 and purposes of a public employer.

29 \* Sec. 11. AS 23.40.250 is amended by adding a new subsection to read:

30 (b) A labor organization is subject to this chapter if it

31 (1) is the recognized or certified representative of public employees

1 under this chapter;

2 (2) although not certified, is a national or international labor  
3 organization or a local labor organization recognized or acting as the representative of  
4 employees of a public employer or employers under this chapter; or

5 (3) has been chartered by a labor organization representing or actively  
6 seeking to represent public employees as the local or subordinate body through which  
7 the employees may enjoy membership or become affiliated with a labor organization.

8 \* Sec. 12. AS 23.40 is amended by adding new sections to read:

9 **Article 3. Rights of Members of Labor Organizations.**

10 **Sec. 23.40.300. Rights of members of labor organizations.** (a) A member  
11 of a labor organization has equal rights and privileges within the organization, subject  
12 to reasonable rules and regulations in the organization's constitution and bylaws, to

13 (1) nominate candidates;

14 (2) vote in elections or referenda of the labor organization;

15 (3) attend membership meetings, and participate in the deliberations and  
16 vote on the business of those meetings.

17 (b) A bargaining unit member, including a service fee payer, has equal rights  
18 to vote in

19 (1) an election that has as its purpose the acceptance or rejection of a  
20 collective bargaining agreement reached under AS 23.40.210, or the modification,  
21 extension, or amendment of an agreement;

22 (2) an election or referendum of the labor organization that affects  
23 wages, hours, or terms and conditions of employment of members of the bargaining  
24 unit or of a subdivision of the bargaining unit to which the employee belongs.

25 (c) A member of a labor organization has the right to meet and assemble freely  
26 with other members. A union representative may not infringe these rights. Subject  
27 to (d) of this section, a member of a labor organization also has the right to express

28 (1) views, arguments, or opinions; and

29 (2) at meetings of the labor organization, the member's views on  
30 candidates in an election of the labor organization or on any business properly before  
31 the meeting.

1 (d) Notwithstanding (c) of this section, a labor organization has the right to  
2 adopt and enforce reasonable rules concerning the conduct of meetings, the  
3 responsibility of every member toward the organization as an institution, and the duty  
4 of members to refrain from conduct that would interfere with the performance of the  
5 labor organization's obligations.

6 **Sec. 23.40.310. Dues, initiation fees, and assessments.** (a) Except in the  
7 case of a federation of national or international labor organizations, the rates of dues  
8 and initiation fees payable by members of a labor organization in effect on the  
9 effective date of this Act may not be increased and a general or special assessment  
10 may not be levied on the members of the labor organization except as provided in this  
11 section.

12 (b) A labor organization may increase dues or initiation fees or impose a  
13 special or general assessment by majority vote by secret ballot of the members in good  
14 standing voting

15 (1) at a general or special membership meeting after reasonable notice  
16 of the intention to vote on the question; or

17 (2) in a membership referendum.

18 **Sec. 23.40.320. Right to copies of a collective bargaining agreement.** (a)  
19 The secretary or the equivalent officer shall maintain at the principal office of that  
20 labor organization copies of the agreements made or received by the labor  
21 organization. If the labor organization does not have its principal office in this state,  
22 it shall make the copies available at a location in this state.

23 (b) A collective bargaining agreement between a labor organization and a  
24 public employer, including extensions, modifications, and amendments of the  
25 agreement, is a public record under AS 09.25.110.

#### 26 **Article 4. Reporting by Labor Organizations.**

27 **Sec. 23.40.400. Reporting by labor organizations.** (a) A labor organization  
28 shall adopt a constitution and bylaws and, except for a labor organization that is  
29 exempt from filing requirements under AS 23.40.510, shall file copies of them with  
30 the commissioner together with a report signed by the organization's president and  
31 secretary or the equivalent officers containing

1 (1) the name of the labor organization, its mailing address, and any  
2 other address at which it maintains its principal office or keeps the records referred to  
3 in AS 23.40.400 - 23.40.410;

4 (2) the name and title of each of the organization's officers;

5 (3) the amount of the initiation fee or fees required from a new or  
6 transferred member and hiring hall fees required by the reporting labor organization;

7 (4) the amount of the regular dues or fees or other periodic payments  
8 required to remain a member of the labor organization and the service fee required of  
9 an employee subject to an agreement authorized by AS 23.40.110(b); and

10 (5) detailed statements, or references to specific provisions of  
11 documents filed under this subsection that contain the required statements, showing the  
12 provisions made and procedures followed with respect to

13 (A) qualifications for or restrictions on membership;

14 (B) the levying of assessments;

15 (C) participation in insurance or other benefit plans;

16 (D) authorization for disbursement of funds of the labor  
17 organization;

18 (E) the audit of financial transactions of the labor organization;

19 (F) calling regular and special meetings;

20 (G) selection of officers, stewards, and representatives to other  
21 bodies composed of labor organizations' representatives with a specific  
22 statement of the manner in which each officer was elected, appointed, or  
23 otherwise selected;

24 (H) discipline or removal of officers or agents for breaches of  
25 trust;

26 (I) imposition of fines, suspensions, and expulsions of members,  
27 including the grounds for the action and provisions made for notice, hearing,  
28 judgment on the evidence, and appeal procedures;

29 (J) authorization for bargaining demands;

30 (K) ratification of contract terms;

31 (L) authorization for strikes; and

1 (M) the issuance of work dispatches.

2 (b) A labor organization shall report a change in the information required by  
3 (a) of this section to the commissioner at the time the labor organization files the  
4 annual financial report required by (c) of this section.

5 (c) Except as provided in (e) of this section or in AS 23.40.510, a labor  
6 organization that is a party to an agreement authorized by AS 23.40.110(b), that  
7 represents a bargaining unit of more than 75 employees, or that has an aggregate  
8 income from dues, fees, and assessments in excess of \$50,000, shall file annually with  
9 the commissioner a financial report for the preceding fiscal year, signed by its  
10 president and treasurer or the equivalent officers, containing the information required  
11 by this subsection in adequate detail to accurately disclose the organization's financial  
12 condition and operations. The financial report must be organized in categories  
13 prescribed by the commissioner that permit the identification of costs associated with  
14 political, social, fraternal, or other activities not incident to the negotiation or  
15 administration of a collective bargaining agreement or the adjustment of grievances and  
16 must contain

17 (1) assets and liabilities of the organization at the beginning and end  
18 of the fiscal year;

19 (2) receipts of any kind and the sources for the receipts;

20 (3) salary, allowances, and other direct or indirect disbursements,  
21 including reimbursed expenses, to each officer, employee, consultant, or contractor  
22 who, during the fiscal year, received more than \$500 in the aggregate from the labor  
23 organization and any other labor organization affiliated with it or with which it is  
24 affiliated or that is affiliated with the same national or international labor organization;

25 (4) direct and indirect loans made to an officer, employee, or member  
26 that aggregated more than \$250 during the fiscal year, together with a statement of the  
27 purpose, security, if any, and arrangements for repayment;

28 (5) direct and indirect loans to a business enterprise, together with a  
29 statement of the purpose, security, if any, and arrangements for repayment;

30 (6) any payment of money or other thing of value and any expenditure,  
31 including compensation and reimbursed expenses paid to employees or agents of the

1 labor organization, that is intended to influence the outcome of an election of a  
2 candidate, a ballot proposition, or the passage or defeat of legislation; and

3 (7) other disbursements made by the labor organization and the  
4 purposes of those disbursements.

5 (d) A labor organization required to submit a report under this chapter shall  
6 maintain the information required to be reported in this state and make it available to  
7 all of its members and fee payers without cost to the member or fee payer.

8 (e) A labor organization that has established the amount of its service fee as  
9 a result of the decision or order of an impartial arbitrator or court may comply with  
10 the reporting requirements set out in (c) of this section by annually filing a copy of the  
11 order or decision with the commissioner.

12 **Sec. 23.40.410. Reports; public records.** (a) The reports and documents filed  
13 with the commissioner under AS 23.40.400 are public records under AS 09.25.110.

14 (b) A person required to file a report under this chapter shall maintain records  
15 at a location in the state on the matters required to be reported for a period of not less  
16 than five years after the filing of the documents based on the information that the  
17 records contain. The records must

18 (1) provide the necessary basic detailed information and data from  
19 which the documents filed with the commissioner may be verified, explained, or  
20 clarified, and checked for accuracy and completeness;

21 (2) include vouchers, worksheets, receipts, and applicable resolutions.

22 (c) A labor organization required to report under AS 23.40.400 shall file the  
23 initial report required under AS 23.40.400 within 30 days after the date on which the  
24 labor organization first becomes subject to this chapter. A person required to file a  
25 report under AS 23.40.400 shall file the report within 90 days after the end of the  
26 person's fiscal year.

27 **Sec. 23.40.420. Criminal provisions.** (a) A person who intentionally violates  
28 a provision of AS 23.40.400 - 23.40.410 is guilty of a class A misdemeanor.

29 (b) A person who makes a false statement or representation of a material fact,  
30 knowing it to be false, or who knowingly fails to disclose a material fact, in a  
31 document, report, or other information required under AS 23.40.400 - 23.40.410 is

1 guilty of a class A misdemeanor.

2 (c) A person who intentionally makes a false entry in or intentionally  
3 withholds or destroys books, records, reports, or statements required to be kept under  
4 AS 23.40.400 - 23.40.410 is guilty of a class A misdemeanor.

5 (d) An individual required to sign reports under AS 23.40.400 shall be  
6 personally responsible for the filing of the report and for any statement contained in  
7 the report that the person knows to be false.

#### 8 **Article 5. Miscellaneous Provisions.**

9 **Sec. 23.40.500. Service of process.** For the purposes of this chapter, service  
10 of summons, subpoena, or other legal process of a court of the state upon an officer  
11 or agent of a labor organization in the officer's or agent's capacity as such constitutes  
12 service on the labor organization.

13 **Sec. 23.40.510. Exemption from reporting requirements for labor**  
14 **organizations subject to certain federal requirements.** A labor organization or a  
15 subdivision of a labor organization that represents or seeks to represent public  
16 employees and that is subject to reporting requirements under 29 U.S.C. 401 - 531 is  
17 exempt from the requirement to file reports under AS 23.40.400 so long as the labor  
18 organization or division of a labor organization files with the commissioner a copy of  
19 each report required by 29 U.S.C. 401 - 531.

#### 20 **Article 6. Definition for AS 23.40.300 - 23.40.590.**

21 **Sec. 23.40.590. Definition for AS 23.40.300 - 23.40.590.** In AS 23.40.300 -  
22 23.40.590, "employer" includes a person acting directly or indirectly as an employer  
23 or an agent of an employer in relation to a public employee.

24 \* **Sec. 13.** AS 39.20.310(8) is amended to read:

25 (8) persons employed by the division of marine transportation as  
26 masters and members of the crews operating the state ferry system who are covered  
27 by collective bargaining agreements as provided in AS 23.40.210 [AS 23.40.040],  
28 except as expressly provided by law;

29 \* **Sec. 14.** AS 39.25.110(16) is amended to read:

30 (16) persons employed by the division of marine transportation as  
31 masters and members of the crews of vessels who operate the state ferry system and

1 who are covered by a collective bargaining agreement provided in AS 23.40  
2 [AS 23.40.040];

3 \* Sec. 15. AS 23.40.020, 23.40.030, 23.40.040, 23.40.215(c), and 23.40.240 are repealed.

4 \* Sec. 16. REPORT FROM LABOR ORGANIZATION. Notwithstanding the deadline set  
5 out in AS 23.40.410(c), a labor organization that is subject to the requirements of  
6 AS 23.40.410 on the effective date of this Act must file its initial report under AS 23.40.410  
7 no later than 30 days after the effective date of this Act.

8 \* Sec. 17. INSTRUCTIONS TO THE REVISOR OF STATUTES. (a) The revisor of  
9 statutes shall substitute "this chapter" for "AS 23.40.070 - 23.40.260" wherever "AS 23.40.070  
10 - 23.40.260" occurs in AS 23.40.

11 (b) The revisor of statutes shall substitute "AS 23.40" for "AS 23.40.070 - 23.40.260"  
12 wherever "AS 23.40.070 - 23.40.260" occurs in the Alaska Statutes, other than in AS 23.40.

5/10/97

0-LS067:\B.10  
Cramer  
4/10/97

Failed 3-7

#3

A M E N D M E N T

OFFERED IN THE SENATE  
TO: <sup>CS</sup> SB 151

BY DAVIES

- 1 Page 3, line 16:
- 2 Delete "new subsections"
- 3 Insert "a new subsection"
- 4 Page 3, line <sup>11</sup>24, through page 4, line <sup>12</sup>25:
- 5 Delete all material.

delete section 4

ROLL CALL: HOUSE FINANCE COMMITTEE

DATE

SUBJECT

Am 3 DAVIS  
SB 151

MEMBER	YES	NO
MOSES	✓	
MULDER		✓
DAVIES, JOHN	✓	
DAVIS, GARY		✓
GRUSSENDORF	✓	
FOSTER		✓
KELLY		✓
KOHRING		✓
MARTIN		✓
THERRIAULT		✓
HANLEY	←	✓

TOTAL 3 7

PASSED \_\_\_\_\_  
FAILED \_\_\_\_\_

Mulder  
#1

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE MULDER

TO: HCS CSSB 151( ) ("P" Version, Dated 5/8/97)

1 Page 3, lines 5 - 10:

2 Delete "However, an employee or group of employees within the bargaining unit may  
3 at any time present disputes to the public employer and have those disputes adjusted as long  
4 as the adjustment is consistent with the terms of the collective bargaining agreement that  
5 covers those employees and as long as the bargaining representative has been given an  
6 opportunity to be present when the dispute is presented or adjusted."

7 Page 3, lines 18 - 26:

8 Delete ";

9 (5) an employee who is prohibited from engaging in strikes under  
10 AS 23.40.200(b) with an employee who is not so prohibited.

11 (d) A labor organization may not be certified as the representative of  
12 employees who are not peace officers if the organization

13 (1) has members or fee payers who are peace officers;

14 (2) is certified to represent peace officers; or

15 (3) is affiliated directly or indirectly with a labor organization that  
16 represents or has members or fee payers who are peace officers"

17 Reletter the following subsection accordingly.

18 Page 29, line 1:

19 Delete "and (d)"

20 Page 29, line 5:

21 Delete "or (d)"

AMENDMENT

Mulder  
#2

OFFERED IN THE HOUSE

BY REPRESENTATIVE MULDER

TO: HCS CSSB 151( )("P" Version, Dated 5/8/97)

- 1 Page 3, line 18, following "officer;":
- 2       Insert "a peace officer whose primary duties are supervisory is considered a
- 3 supervisory employee and is not considered a peace officer for purposes of this subsection;"



# NEA-ALASKA

*Affiliated with the National Education Association*

## **Position Paper House Finance Committee Substitute for CSSB 151**

NEA-Alaska and its local affiliates have worked for over six years to improve our system of financial reporting. Annually, NEA-Alaska and our affiliates with agency fee provisions, provide non-members a detailed package of financial information about the local, state and national associations. Agency fee provisions are negotiated at the local school district level and not mandated by the state. This package of information, commonly called the "Hudson Notice" demonstrates NEA-Alaska's effort to protect the constitutional rights of those who choose to only pay expenses associated with bargaining and contract administration. This notice provides non-members an opportunity to freely object to the payment of expenditures not associated with collective bargaining. Annually, they are provided the opportunity to challenge the Association's calculations of chargeable fees before an impartial arbitrator.

This system has withstood challenges through arbitration and within the federal courts. Even though the process is difficult and burdensome on the Association, it is only fair to those who may wish to object.

Fourteen of seventy locals affiliated with NEA-Alaska have agency fee. In the balance of our local affiliates membership in the associations is purely voluntary.

For several weeks NEA-Alaska has worked with the majority to address concerns the Association has had with SB 151. We appreciate the consideration the majority has given us and we are please to announce that many of those concerns have been worked out and we can support the House Finance Committee Substitute for CSSB 151

May 8, 1997



# General Teamsters Local 959 State of Alaska

Affiliated with the International Brotherhood of Teamsters

ANCHORAGE ALASKA 99504 4300 BONIFACE PKWY (907) 259-4122 FAX (907) 337-6668 GERALD L HOOD Secretary/Treasurer

FAIRBANKS, ALASKA 99707, P.O. Box 70609  
JUNEAU, ALASKA 99801, 306 Willoughby

(907) 452-2959 FAX (907) 452-5051  
(907) 585-3225 FAX (907) 585-1227

Dear Representative Hanley: *Mark*

I am writing to you to express my strong opposition to the CS for Senate Bill 151, a re-write of the Public Employees Relations Act and all of its subsequent versions.

Quite frankly, I'm surprised and extremely disappointed at the speed associated with this bill's advancement.

This legislation probably impacts more Alaskans than any other single bill before you this year. Because of its significance and complexity, I urge you to approach your review of this matter with judicious care to attain the balance that I have been led to believe was the intent of the legislations sponsors.

This legislation, even with its revisions, remains seriously flawed. At the eleventh hour you simply do not have the time to re-write PERA in a meaningful and rational manner.

There are many Alaskans who feel this bill is of a punitive nature. For those Alaskans, rushing this bill's passage without an adequate review and understanding will only confirm their beliefs and create division. As a labor leader, I have worked hard to eliminate the division between business and employees with great success. It's been good for our union, our members and our employers.

I am committed to working with you during the interim to help develop the legislation and create a win-win situation for all Alaskans with a bill that is truly fair and equitable.

There's a lot to be said about working together and I look forward to working with you to make this a better bill.

Jerry Hood  
Secretary/Treasurer

House CS for CS for Senate Bill 151

was originally adopted and impose upon public employee labor organizations many of the same requirements as are imposed upon private sector unions and employers bargaining under federal law.

**Major changes to the existing Act:**

**Sec. 2** Provides that parties may not negotiate terms contrary to a statute except if such terms are specifically made subject to bargaining by the Act. (See, APEA v. State)

**Sec. 3** Provides that public employers retain managerial rights and prerogatives and that limitations on such rights are to be narrowly construed by arbitrators, the labor relations agency and the courts.

**Sec. 4** Incorporates Alaska Labor Relations Agency (ALRA) regulations and decisions regarding composition of bargaining units and adds definitions of supervisory, confidential and law enforcement employees based on ALRA decisions. Bargaining units in political subdivisions which were established by the former State Labor Relations Agency or ALRA prior to the effective date of this legislation are exempted at Sec. 32

Requires that peace officers, including Correctional Officers, must be in separate bargaining units from employees who are not peace officers. This provision mirrors the guards unit language in federal law.

**Sec. 5** Reflects ALRA decisions and federal law in permitting public employers to challenge the composition of a bargaining unit and to question the majority status of a union.

**Sec. 6.** Requires the ALRA to investigate the propriety of a mutually recognized bargaining unit upon the petition of an employee in that bargaining unit.

**Sec. 8** makes it an unfair labor practice for a public employer to contribute financial or other support to a union mirroring federal law.

Allows a public employer to confer with its employees over work related matters without incurring unfair labor practice charges. This is predicated on the National Labor Relations Board's decision in the Electromation Corp. case

House CS for CS for Senate Bill 151

that prohibited such management techniques as quality circles and work teams. There have been complaints filed under this case with the ALRA, but none have been finally decided.

Eliminates the current law's authorization of compulsory union membership while retaining the authorization for compulsory fees for collective bargaining services. This is based on a long line of Supreme Court cases holding that an employee may not be compelled to contribute to a union's social, political and fraternal activities as a condition of employment. The current provision would probably be found unconstitutional under both the State and federal constitutions. (See, Abood v. Detroit Board, Teachers Local 1 v. Hudson, Beck v. Communications Workers, Langill, et al v. Alaska State Employees Association, et al among others)

Prohibits a union from involving a secondary employer in a labor dispute, e.g., picketing, boycotting or otherwise interfering with a private employer as the result of a dispute with a public employer. This is based on federal secondary boycott and hot cargo provisions.

Prohibits a union from charging a service fee not reasonably related to the cost of providing representation and provides that an employee may bring such charges to the ALRA. This is based on court cases, principally Teachers Local 1 v. Hudson and Beck v. Communications Workers, as well as Langill et al v. Alaska State Employees Association et al holding that fee payers may only be compelled to pay for the costs of collective bargaining and grievance adjustment.

Prohibits a public employee union and public employer from agreeing to refrain from doing business with another employer. This also is based on federal secondary boycott and hot cargo provisions.

**Sec. 9** Provides that statements by legislators, judges and certain municipal officials may not constitute unfair labor practices so long as that person is not specifically responsible for relations with employees. (See generally, Local 71 v. State and underlying ALRA proceeding)

House CS for CS for Senate Bill 151

**Sec. 12** Narrows the scope of employees prohibited from striking (Class One) and, thus, subject to interest arbitration.

**Sec. 13** Narrows the scope of employees who can be enjoined from striking (Class Two) and, thus, subject to interest arbitration. Adds a class of residential care employees to reflect changes in Pioneer Home mission to assisted living. Previously, all were considered Class One hospital employees, a classification that could not withstand scrutiny. Removes post-secondary education employees from this class to Class Three employees mirroring K-12 teachers and other school employees.

**Sec. 14** Reflects recent court holding that ferry system employees are Class Three employees. (See, I3U v. State, Superior Ct., 1997, citation omitted)

Provides that employees may only lawfully strike after impasse in bargaining. (See, APEA and Local 71 v. State)

**Sec. 15** Provides a reliable means of selecting arbitrators for interest arbitrations and requires that they have Alaska or Pacific Northwest experience.

**Sec. 16** Prohibits agreements longer than three years and automatic renewal clauses.

Provides that employees may resort to binding grievance arbitration only under the terms of an agreement.

Prohibits a labor organization that has failed to file required financial reports from enforcing an agreement.

Requires that the ALRA rather than the Commissioner of Administration will promulgate regulations governing residency based pay differentials in recognition of the fact that the PERA applies to all public employers, not just the State.

**Sec. 19** Establishes arbitrator selection criteria for binding grievance arbitration and requires Alaska or Pacific Northwest experience.

**Sec. 20 - 22** Increase Legislative oversight authority over collective bargaining by:

House CS for CS for Senate Bill 151

Defining monetary terms to include extensions, modifications and interest arbitrator's awards. (See, FEA v. State)

Specifically empowering the legislative body of a political subdivision to review and approve the monetary terms of an agreement. (Superior Ct. case involving City of Fairbanks, affirmed by SC, citation not known)

Providing that no monetary term is effective or enforceable until approved by the Legislature or the legislative body of a political subdivision.

Requiring the parties to resume negotiations in the event of disapproval.

Requiring the Commissioner of Administration to report all State agreements, settlements and arbitrators' awards costing over \$10.0 to the Legislative Budget and Audit Committee for review.

Requiring the Commissioner of Administration to report all agreements, settlements and arbitrators' awards that substantively modify the reported terms to the Legislature for approval.

Empowering the legislative bodies of political subdivisions to promulgate approval procedures.

**Sec. 23** Prohibits irrevocable dues checkoffs for periods longer than one year and provides explicitly that checkoff authorizations must be voluntary and renewed annually.

**Sec. 24** Prohibits checkoffs from service fee payers outside the term of an agreement and includes the same irrevocability provisions.

Requires affirmative notice on the checkoff form that employees may not be required as a condition of employment to be or become a member of the union nor to contribute financial support to its social, political and fraternal activities. Based on the Supreme Court's Beck decision.

**Sec. 25 (10)** Clarifies the definition of "monetary terms" to include changes from the predecessor agreement or

House Majority Caucus Bill Summary  
House CS for CS for Senate Bill 151

statutory terms which will require the expenditure of public money.

Exempts certain types of employees from the Act's coverage including: temporary or nonpermanent employees, Legislative employees, employees responsible for certain collective bargaining activities and certain employees of the legislative bodies of political subdivisions and of the courts.

Includes employer groups in the definition of public employer.

**Major Additions to the Act:**

These additions are modeled on the Taft-Hartley and Landrum-Griffin amendments to the National Labor Relations Act and are essentially identical to the requirements imposed on private sector unions bargaining under that act.

**Sec. 27** Articulates the rights of union members to participate democratically in the operation of the union.

Requires that service fee payers be allowed to vote in contract ratification elections and other elections or referenda which might effect a fee payer's terms and conditions of employment. Currently, they are not allowed to vote.

Requires that dues may only be increased in a democratic, secret ballot election.

Prohibits union restrictions on a member's right to sue the union and to participate in other forms of adjudication.

Prohibits employers from surreptitiously participating in suits against a union.

Prohibits arbitrary discipline of members by the union and provides for due process.

Requires public employee unions to maintain in the State copies of all collective agreements and makes agreements a public record.

Requires public employee unions to inform members of their rights under the Act.

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**Article 4** Requires public employee unions to register with the Commissioner of Labor and report their structure and finances. Currently, most are merely State chartered non-profit corporations subject to little or no regulation.

Requires annual financial reports by public employee unions categorized in such a manner as to permit the identification of costs associated with social, political and fraternal activities.

Requires disclosure of all expenditures made for the purpose of influencing the outcome of an election, a ballot proposition or the passage or defeat of legislation.

Requires that such report be maintained in the State and made available to members and fee payers at no cost.

Provides that a labor organization that has its service fee established by an arbitrator or a court may comply with the reporting requirements by submitting a copy of the decision or order with the Commissioner of Labor.

Provides that a labor organization that is subject to the Federal Labor Management Reporting and Disclosure Act may comply with the reporting requirements by submitting a copy of its federal reports to the Commissioner of Labor.

**Sec. 23.40.410:** Exempts attorney-client and certain deliberative communications from reporting and disclosure.

**Sec. 23.40.420:** Makes reports a public record.

**Sec. 23.40.430:** Makes violation of reporting requirements a Class A misdemeanor.

**Article 5:** Prohibits certain financial transactions, including contribution to political campaigns, between officers, agents and employees of unions and officers and officials of public employers where the intent is to influence the exercise by employees of their rights under the Act, or to influence the outcome of an adjudication or negotiation.

**Sec. 23.40.620:** Provides an exemption from reporting requirements for labor organizations that are subject to

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the federal Labor-Management Reporting and Disclosure Act. This covers traditional crafts unions that may represent some public employees in addition to their private sector membership.

**Sec. 30:** Repeals all pre-PERA bargaining authorization.

**Sec. 33:** Exempts established bargaining units in political subdivision from the bargaining unit definition changes in Sec. 4.

**Summary Of Proposed Changes And Additions To The  
Public Employment Relations Act**

The proposed legislation has two purposes and discussion will be divided into two parts. First, the existing law is amended to incorporate the lessons of twenty-five years of collective bargaining in Alaska and to comply with a line of U.S. Supreme Court cases concerning union dues issues in public employment. Second, additions are made to the Act to reflect the provisions of the federal National Labor Relations Act as amended. These provisions regulate the conduct of public employee and public employers. The legislation covers only public employee unions and public employers and does not regulate the conduct of private sector labor unions or councils and federations that do not directly engage in collective bargaining between public employee unions and public employers.

In the twenty-five years since enactment there have been over 200 formal adjudications before the Alaska Labor Relations Agency, many hundreds more which did not reach formal hearing and many, many more before the now abolished State Labor Relations Agency which had jurisdiction over political subdivisions. There have been dozens of suits in the Superior Courts, more than a dozen to the State Supreme Court and several to the federal courts challenging various provisions of the Act.

This bill seeks to incorporate the teachings of the adjudication under PERA in the State courts and Labor Relations Agency and over sixty years of federal experience, including thousands of adjudications, under the parent law, the National Labor Relations Act. Particularly, the legislation seeks to incorporate the teachings of Lanqill, et al v. Alaska State Employees Association et al decided in February of 1997 in the federal District Court of Alaska wherein ASEA and the State admitted that ASEA's collection of agency fees failed to comply with the constitutional requirements articulated in Teachers Local 1 v. Hudson, a U.S. Supreme Court decision. Almost all the changes in the law are predicated on the regulations and decisions of the Alaska Labor Relations Agency and the decisions of State and federal courts. The regulatory portions of the legislation are based directly upon the 1947 and 1959 amendments to the federal National Labor Relations Act which were not incorporated when PERA

House CS for CS for Senate Bill 151

- Will require that public employee unions register with the Department of Labor and file their constitution and bylaws, list their officers and qualifications for office, publish their dues and service fee structures, qualifications for voting in election of union officers and other vital information.
- Will require that all members of the bargaining unit, not just members, can vote on contract ratifications and amendments to contracts.
- Will establish rules for secret ballot elections for union dues increases.
- Will require unions disclose their financial dealings in sufficient detail to determine expenditures for social, political and fraternal activities.
- Will prohibit payments, business dealings or contributions by unions to public officials if the intent is to influence the outcome of a negotiation, grievance or arbitration.
- Will prohibit payments, business dealings or contributions by public employers to unions if the intent is to influence union activities or to interfere with an employee's rights guaranteed by PERA.
- Will prohibit compulsory employee payments to unions for social, political and fraternal activities while still allowing agreements to pay for the actual cost of representation in negotiations and grievance adjustment.
- Requires that employees with law enforcement authority be in separate unions to avoid conflicts of interest.
- Prohibits supervisors and high-level managers from participation in bargaining units with subordinate employees.
- Enhances employee participation in management decisions by allowing focus groups, quality circles and other joint employee-employer committees.
- Protects private employers from becoming embroiled in disputes between public employers and public employee unions.
- Protects employees from being compelled to pay fees not reasonably related to the cost of representation.
- Streamlines and clarifies the rules for selecting an arbitrator to settle contract disputes with employees who are prohibited from striking.
- Ensures that Pioneer Home employees can be enjoined back to work should a strike threaten the welfare of residents.
- Requires that all collective bargaining agreements be written and must have a fixed expiration date.
- Ensures legislative oversight over all costs of collective bargaining.
- Ensures the oversight authority of the legislative bodies of political subdivisions over the costs of collective bargaining.
- Requires that public employees working under an agreement that requires the payment of dues or fees are given notice of their right to pay only for the costs of collective bargaining.

BILL NO: SB 151

DATE: May 9, 1997

TITLE: Public Employment Labor Relations

CONTACT: Dwight Perkins  
465-2700

The Department of Labor opposes SB 151 because it creates a cumbersome and unneeded new bureaucracy and will disrupt rather than improve public sector labor relations in the state of Alaska. Even in its new abbreviated form, SB 151 adds twenty nine pages to a twenty-page law, the Public Employment Labor Relations Act (PERA), which has adequately governed public sector labor relations in Alaska for twenty-five years.

This so-called "modernization" is, in large part, an adoption of provisions of two federal labor laws, the Taft-Hartley Act of 1947 and the Landrum-Griffin Act of 1959, both of which were extant at the time of PERA's enactment in 1972. We would submit that the legislature knew what it was doing when it eschewed the Taft-Hartley and Landrum-Griffin provisions in PERA, since their adoption through this Act would break what does not need fixing.

Section 1. Declaration of findings and purpose . . . the legislature further finds that legislation is necessary to eliminate or prevent improper practices on the part of labor organizations, public employers and their officers or representatives . . .

In four public hearings in three committees, the only person to speak in support of the bill was the paid consultant to the House and Senate Finance Committees, and he provided no evidence or documentation to support this finding.

Section 2. Adds a fifth "item not subject to bargaining" which would allow political subdivisions under PERA to limit the scope of collective bargaining by merely passing an ordinance.

Section 4 would allow individual employees to file grievances outside of the union process, removing the "filtration" of non-meritorious complaints which the union provides and increasing workload for public employers.

Section 4 also explodes the current bargaining unit system by prohibiting inclusion of peace officers and non-peace officers and strike eligible and non-strike eligible

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employees in the same unit. This will result in the state going from nine bargaining units to twenty-one.

Section 4 also would prohibit most of the unions in Alaska from representing any public employees other than peace officers, since they are all "affiliated directly or indirectly with a labor organization that represents peace officers."

Section 6 allows a single member (rather than the normal 30 percent required in both state and federal law) of a bargaining unit the union representative of which was recognized by consent to challenge the appropriateness of the unit and the majority status of the union.

Section 8 removes from PERA even the reference to allowing parties to bargain clauses requiring union membership as an option or alternative to "service fees."

Section 8 also includes a number of irrelevant federal law prohibitions on secondary boycotts, "hot cargo" clauses, and recognition or jurisdictional strikes.

Section 8 also puts the Alaska Labor Relations Agency (ALRA) rather than the courts (which have been sufficiently protecting the rights of union dissenters) in the business of adjudicating service fees for "dissenters" who do not wish to support the political, social, or fraternal activities of the union.

Section 9 may be construed to prohibit "subcontracting clauses" in public sector agreements, which removes a "mandatory" subject of bargaining (in both PERA and federal law) from the table.

Sections 12, 13, and 14 alter the current "classes" of employees with regard to strike eligibility. Many employees in institutions who are currently barred from striking, such as food service, maintenance and custodial, administrative and non-licensed medical personnel, would now have the right to strike.

Section 15 would limit "interest arbitrator" selection to members of FMCS, precluding use of arbitrators who are only affiliated with AAA.

Section 16 prohibits "automatic renewal" of agreements and would presumably

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prohibit parties from continuing to work under the terms of an expired collective bargaining agreement until a successor agreement is negotiated, a process which can take months or even years. This section also terminates the grievance procedure during an interim between contracts further promoting disharmonious labor relations in direct contradiction to the declared purpose of PERA and this legislation.

**Section 17** transfers responsibility for establishing the COLD for non-resident employees from the commissioner of administration to ALRA.

**Section 19** would prohibit parties from utilizing AAA arbitrators and would make arbitrator's awards under PERA subject to the Administrative Procedures Act for purpose of appeal, thereby subjecting all awards to court review; current law only allows for appeal to the court in the event of gross error or violation of public policy. Increased litigation is not in the best interest of either employers or employees.

**Sections 20-22** expand legislative review and/or approval to include arbitration awards (both interest and grievance), contract extensions and modifications. Grievance arbitration awards interpret and enforce contractual commitments inherent in negotiated agreements which have already been approved by the legislature.

**Section 24** would end service fee payment by non-members during any interim between agreements. In addition to denying funds to a union at the time when collective bargaining expenditures are likely to be at their highest, a public employer wishing to break their union could do so by protracting negotiations over a long period of time.

**Section 25** excludes temporary or non-permanent employees from the definition of public employee, thereby denying them union representation or the benefits of collectively bargained provisions. The bill drafter has stated that the relationship of these employees, some of whom work for the state or political subdivisions for years before attaining permanent status, to the bargaining unit is "tangential". We strongly disagree.

**Section 27** adds five articles to PERA:

Article 3 goes beyond federal law in giving non-member fee payers a right to vote in contract ratification elections or dues referendums.

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Article 3 allows two months for a labor organization to handle a member complaint internally before the member may institute legal or administrative action. Federal law allows four months. Ironically, due to its short staffing and heavy workload, ALRA takes up to a year to handle a member's unfair labor practice complaint against a union.

Article 4 requires extensive reporting by labor organizations to the commissioner of labor of detailed information regarding all aspects of the organization's operations and finances. While similar to that required by federal law, there are significant differences.

Where the federal Labor Management Reporting and Disclosure Act (LMRDA) requires that a union report salary, allowances and disbursements to each officer or employee who received more than \$10,000 in the aggregate from a labor organization and its affiliates, proposed AS 23.40.400 goes far beyond the federal requirement by including payments to consultants or contractors with payments to employees and lowers the \$10,000 threshold for all to \$500. Under this provision, if several unions utilized the same company to deliver bottled water to their offices for thirty dollars a month, unbeknownst to each other, and did not report the contract with the company, the fact that it was below \$500 notwithstanding, each could be guilty of a Class A misdemeanor.

In another departure from federal law, AS 23.40.400 also requires reporting to the commissioner of any payment, regardless of amount, to an employee or agent of the organization, that is intended to influence the outcome of an election or the passage or defeat of legislation.

Given the minute detail of the required reporting, the criminal penalties for failure to comply, and the assignment to it of new functions involving record-keeping and audit of financial and political contribution reports, the added expense and workload to the department of labor will be substantial.

Article 4 allows some exemptions from the reporting requirements of AS 23.40.400 which may raise issues of equal protection. Labor organizations which report under LMRDA, which as stated is less stringent than the proposed state law, are exempt under proposed AS 23.40.620. The one labor organization in the state which has adopted an annual arbitration of its service fee as the method to deal with

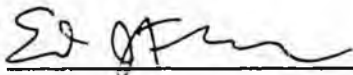
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challenges to its fee structure is also exempt. While other organizations might gain the exemption by adopting a similar procedure, that method might not be appropriate or necessary for other organizations to satisfy their Beck or Hudson obligations to service fee payers (severing the amount of dues attributable to social political or fraternal activities).

AS 23.40.420 states that reports to the commissioner must provide sufficient information and detail to be "verified, explained, or clarified, and checked for accuracy and completeness" which presupposes an audit function on the part of the department.

Article 6 contains the afore-mentioned exemption from reporting requirements under AS 23.40.300 - AS 23.40.500 for unions filing with USDOL under LMRDA.

Section 32 grandfathers existing political subdivision bargaining units from the fragmenting effects of proposed AS 23.40.090(c) and (d) in Section 4 of the Act. The viability of this exemption in future proceedings regarding unit clarification or challenges is unclear, since the Agency will presumably be obliged to adhere to the revised statute at that time.



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Ed Flanagan  
Deputy Commissioner

POSITION PAPER/Department of Labor

0-LS0675VP  
Cramer  
5/8/97

*Replaced*

*adopted 5/14/97 pm N/O*

**HOUSE CS FOR CS FOR SENATE BILL NO. 151( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTIETH LEGISLATURE - FIRST SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): SENATE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to public employment labor relations; relating to the protection  
2 of the rights of public employees under the Public Employment Relations Act;  
3 establishing ethical standards for union representatives of public employees; and  
4 establishing disclosure requirements for public employee labor organizations."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 \* **Section 1.** AS 23.40 is amended by adding a new section to read:

7 **Sec. 23.40.011. Declaration of findings and purposes.** (a) The legislature  
8 finds that

9 (1) in the public interest, it continues to be the responsibility of the state  
10 government to protect public employees' rights to organize, choose their own  
11 representatives, bargain collectively, and otherwise engage in concerted activities for  
12 their mutual aid or protection;

13 (2) the relations between public employers and labor organizations and  
14 the thousands of workers they represent have a substantial effect on the delivery of

1 needed goods and services to the people of the state; and

2 (3) in order to accomplish the objectives of the maintenance of  
3 harmonious and cooperative relations between public employees and employers and  
4 to ensure the orderly and effective operations of government, it is essential that labor  
5 organizations, public employers, and their officials adhere to the highest standards of  
6 responsibility and ethical conduct in administering the affairs of their organizations,  
7 particularly as they affect labor management relations.

8 (b) The legislature further finds that legislation is necessary to eliminate or  
9 prevent improper practices on the part of labor organizations, public employers, and  
10 their officers and representatives that distort and defeat the policies of this chapter and  
11 have the tendency or effect of burdening or obstructing harmonious and cooperative  
12 relations between public employees and employers and interfering with the effective  
13 and orderly operations of government.

14 \* Sec. 2. AS 23.40.075 is amended to read:

15 Sec. 23.40.075. **Items not subject to bargaining.** The parties may not  
16 negotiate terms contrary to the

17 (1) reemployment rights for injured state employees under  
18 AS 39.25.158;

19 (2) reemployment rights of the organized militia under AS 26.05.075;

20 (3) authority of the Department of Health and Social Services under  
21 AS 47.27.035 to assign Alaska temporary assistance program participants to a work  
22 activity considered appropriate by the Department of Health and Social Services; [OR]

23 (4) authority for agencies to create temporary positions under  
24 AS 47.27.055(c); or

25 (5) terms of a statute or, in the case of a political subdivision that  
26 participates in collective bargaining under this chapter, an ordinance, that applies  
27 to the employees unless the subject matter of the statute or ordinance is made  
28 subject to bargaining under this chapter.

29 \* Sec. 3. AS 23.40.075 is amended by adding a new subsection to read:

30 (b) Except as provided in this chapter, a public employer retains managerial  
31 rights, prerogatives, and functions. Limitations on or exclusions from the rights of

1 employers under this chapter shall be narrowly construed.

2 \* Sec. 4. AS 23.40.090 is amended by adding new subsections to read:

3 (b) A representative designated or selected by a majority of the employees  
4 voting in an election to determine the representative for the bargaining unit is the  
5 exclusive representative of all the employees in the unit. However, an employee or  
6 group of employees within the bargaining unit may at any time present disputes to the  
7 public employer and have those disputes adjusted as long as the adjustment is  
8 consistent with the terms of the collective bargaining agreement that covers those  
9 employees and as long as the bargaining representative has been given an opportunity  
10 to be present when the dispute is presented or adjusted.

11 (c) The labor relations agency may not decide that a unit is appropriate for  
12 collective bargaining if the unit combines

13 (1) a supervisory employee with a nonsupervisory employee;

14 (2) a confidential employee with a nonconfidential employee;

15 (3) a state employee in the classified service with a state employee who  
16 is not in the classified service;

17 (4) an employee employed as a peace officer with an employee who  
18 is not employed as a peace officer;

19 (5) an employee who is prohibited from engaging in strikes under  
20 AS 23.40.200(b) with an employee who is not so prohibited.

21 (d) A labor organization may not be certified as the representative of  
22 employees who are not peace officers if the organization

23 (1) has members or fee payers who are peace officers;

24 (2) is certified to represent peace officers; or

25 (3) is affiliated directly or indirectly with a labor organization that  
26 represents or has members or fee payers who are peace officers.

27 (e) In this section,

28 (1) "confidential employee" means an employee who assists and acts  
29 in a confidential capacity to a person who formulates, determines, or effectuates  
30 management policies in labor relations matters;

31 (2) "peace officer" includes a correctional officer as defined in

1 AS 18.65.290;

2 (3) "supervisory employee" means a person, regardless of job  
3 description or title, who has authority to act or to effectively recommend action in the  
4 interest of a public employer in one or more of the following supervisory functions if  
5 the exercise of that authority is not merely routine but requires the exercise of  
6 independent judgment:

7 (A) employing, including hiring, transferring, laying off, or  
8 recalling a public employee;

9 (B) discipline, including suspending, discharging, demoting, or  
10 issuing written warnings to a public employee;

11 (C) grievance adjudication, including responding to a first level  
12 grievance under a collective bargaining agreement.

13 \* Sec. 5. AS 23.40.100(a) is amended to read:

14 (a) The labor relations agency shall investigate a petition if it is submitted in  
15 a manner prescribed by the labor relations agency and is by

16 (1) [BY] an employee or group of employees or an organization acting  
17 in their behalf alleging that 30 percent of the employees of a proposed bargaining unit

18 (A) want to be represented for collective bargaining by a labor  
19 or employee organization as exclusive representative; [,] or

20 (B) assert that the organization that [WHICH] has been  
21 certified or is currently being recognized by the public employer as bargaining  
22 representative is no longer the representative of the majority of employees in  
23 the bargaining unit; or

24 (2) [BY] the public employer alleging that

25 (A) one or more organizations have presented to it a claim to  
26 be recognized as a representative of a majority of employees in an appropriate  
27 unit;

28 (B) the employer, in good faith, believes that the  
29 organization that has been certified or is currently recognized by the  
30 public employer as the bargaining representative is no longer  
31 representative of a majority of employees in the bargaining unit; or

1                    (C) the duties of one or more of the employees in the  
2                    bargaining unit have changed, or the nature of the work of the employees  
3                    in the unit has changed, requiring the bargaining unit to be clarified or the  
4                    certification amended.

5 \* Sec. 6. AS 23.40.100(d) is amended to read:

6                    (d) Nothing in this chapter prohibits recognition of an organization as the  
7                    exclusive representative by a public agency by mutual consent. However, a member  
8                    of a bargaining unit whose exclusive representative was established by mutual  
9                    consent may petition the labor relations agency to determine if the

10                    (1) unit is appropriate for bargaining; or

11                    (2) labor organization is in fact the representative of the majority  
12                    of the members of the bargaining unit.

13 \* Sec. 7. AS 23.40.100 is amended by adding a new subsection to read:

14                    (f) The labor relations agency may not investigate a petition by a labor  
15                    organization and may not place the name of a labor organization on a ballot under this  
16                    section unless the organization has filed all reports required of the organization under  
17                    AS 23.40.400. This subsection does not apply to a labor organization that is exempt  
18                    under AS 23.40.620 from the reporting requirements of AS 23.40.300 - 23.40.500.

19 \* Sec. 8. AS 23.40.110 is amended to read:

20                    **Sec. 23.40.110. Unfair labor practices.** (a) A public employer or an agent  
21                    of a public employer may not

22                    (1) interfere with, restrain, or coerce an employee in the exercise of the  
23                    employee's rights guaranteed in AS 23.40.080;

24                    (2) dominate or interfere with the formation, existence, or  
25                    administration of an organization or contribute financial or other support to the  
26                    organization, however, a public employer, including a supervisor, manager, or  
27                    agent of a public employer, may confer with employees during working hours,  
28                    without loss of time or pay, on matters of mutual concern, including methods of  
29                    production, service delivery, training, and employer organizational structures and  
30                    processes;

31                    (3) discriminate in regard to hire or tenure of employment or a term

1 or condition of employment to encourage or discourage membership in an  
2 organization;

3 (4) discharge or discriminate against an employee because the employee  
4 has signed or filed an affidavit, petition, or complaint or given testimony under this  
5 chapter [AS 23.40.070 - 23.40.260];

6 (5) refuse to bargain collectively in good faith ~~with~~ an organization  
7 that [WHICH] is the exclusive representative of employees in an appropriate unit,  
8 including but not limited to the discussing of grievances with the exclusive  
9 representative.

10 (b) Nothing in this chapter prohibits a public employer from making an  
11 agreement with an organization to require as a condition of employment

12 [(1) MEMBERSHIP IN THE ORGANIZATION WHICH  
13 REPRESENTS THE UNIT ON OR AFTER THE 30TH DAY FOLLOWING THE  
14 BEGINNING OF EMPLOYMENT OR ON THE EFFECTIVE DATE OF THE  
15 AGREEMENT, WHICHEVER IS LATER; OR

16 (2)] payment by the employee to the exclusive bargaining agent or a  
17 service fee to reimburse the exclusive bargaining agent for the expense of representing  
18 the members of the bargaining unit. The service fee may only include  
19 reimbursement for collective bargaining activities, including the adjustment of  
20 grievances.

21 (c) A labor or employee organization or its agents may not

22 (1) restrain or coerce

23 (A) an employee in the exercise of the rights guaranteed in  
24 AS 23.40.080; [,] or

25 (B) a public employer in the selection of the employer's  
26 representative for the purposes of collective bargaining or the adjustment of  
27 grievances;

28 (2) refuse to bargain collectively in good faith with a public employer  
29 [,] if the organization [IT] has been designated in accordance with this chapter [THE  
30 PROVISIONS OF AS 23.40.070 - 23.40.260] as the exclusive representative of  
31 employees in an appropriate unit;

1                   (3) engage in, or induce or encourage an individual to engage in,  
2 a strike or a refusal in the course of employment to use, manufacture, process,  
3 transport, or otherwise handle or work on goods or perform services, or threaten,  
4 coerce, or restrain a person if the object of the labor organization is to force or  
5 require

6                   (A) an employer or a self-employed person to join a labor  
7 organization or an employer organization or to enter into an agreement  
8 that is prohibited under (e) of this section;

9                   (B) a person to stop using, selling, handling, transporting,  
10 or otherwise dealing in a product of another producer, processor, or  
11 manufacturer, or to stop doing business with another person; however, this  
12 subparagraph may not be interpreted to make unlawful an otherwise  
13 lawful primary strike or primary picketing or to require another employer  
14 to recognize or bargain with a labor organization as the representative of  
15 the employer's employees unless the labor organization has been certified  
16 as the exclusive representative of those employees under AS 23.40.090;

17                   (C) an employer to recognize or bargain with a particular  
18 labor organization as the representative of its employees if another labor  
19 organization has been certified as the exclusive representative of those  
20 employees;

21                   (D) an employer to assign particular work to employees in  
22 a particular organization or in a particular trade, craft, or class rather  
23 than to other employees unless the assignment is required by order or  
24 certification of the labor relations agency;

25                   (4) require employees covered by an agreement authorized under  
26 (b) of this section to pay, as a condition of employment, a service fee in an  
27 amount that the labor relations agency finds

28                   (A) not reasonably based on the expenses incurred by the  
29 labor organization for collective bargaining including the adjustment of  
30 grievances; or

31                   (B) excessive or discriminatory under all the circumstances;

1                    (5) cause or attempt to cause a public employer to pay or deliver,  
2                    or agree to pay or deliver, money or another thing of value for services that are  
3                    not performed or are not to be performed on behalf of the public employer; and

4                    (6) picket or cause to be picketed, or threaten to picket or cause to  
5                    be picketed, an employer, unless the labor organization is currently certified as  
6                    the representative of the employer's employees, if the object of the picketing is to  
7                    force or require

8                    (A) the employer to recognize or bargain with a labor  
9                    organization as the representative of the employer's employees; or

10                    (B) the employees of an employer to accept or select the  
11                    labor organization as their collective bargaining representative.

12 \* Sec. 9. AS 23.40.110 is amended by adding new subsections to read:

13                    (d) The expression or dissemination of views, argument, or opinion in any  
14                    form does not constitute and is not evidence of an unfair labor practice under this  
15                    chapter so long as the expression does not contain a threat of reprisal or force or a  
16                    promise of benefit.

17                    (e) It is an unfair labor practice for a labor organization and a public employer  
18                    to enter into a contract or agreement, express or implied, in which the public employer  
19                    ceases or refrains or agrees to cease or refrain from handling, using, selling,  
20                    transporting, or otherwise dealing in a product or service of another public or private  
21                    employer or to cease doing business with another person. If a contract or agreement  
22                    contains an agreement prohibited by this subsection, the part prohibited by this  
23                    subsection is unenforceable and void.

24                    (f) A statement or action of a member of the legislature, a justice or judge, or  
25                    a member of the legislative body of a political subdivision of the state may not be  
26                    considered to be an unfair labor practice under this section if the statement or action  
27                    was within the scope of the individual's normal duties and if the individual was not  
28                    at the time of the statement or action designated to act as the agent of the public  
29                    employer in collective bargaining or the adjustment of grievances.

30 \* Sec. 10. AS 23.40.150 is amended to read:

31                    Sec. 23.40.150. Enforcement by injunction. The labor relations agency may

1 apply to the superior court [IN THE JUDICIAL DISTRICT IN WHICH THE  
2 PROHIBITED PRACTICE OCCURRED] for an order enjoining the prohibited acts  
3 specified in the order or decision of the labor relations agency. Upon a showing by  
4 the labor relations agency that the person has engaged or is about to engage in the  
5 practice, an injunction, restraining order, or other order which is appropriate may be  
6 granted by the court and shall be without bond.

7 \* Sec. 11. AS 23.40.170 is amended by adding a new subsection to read:

8 (b) Except for the requirements concerning hearing officers in AS 44.62.350,  
9 the provisions of AS 44.62 (Administrative Procedure Act) apply to adjudications  
10 under this chapter.

11 \* Sec. 12. AS 23.40.200(b) is amended to read:

12 (b) The class in (a)(1) of this section is composed exclusively of (1) police  
13 [AND FIRE PROTECTION EMPLOYEES], jail, prison, and other correctional  
14 institution employees whose positions require certification by the Alaska Police  
15 Standards Council. (2) fire fighters, (3) employees of juvenile detention facilities  
16 who are responsible for the physical security of the facility or of minors  
17 incarcerated in the facility, and (4) licensed health care providers employed by a  
18 hospital or correctional facility [EMPLOYEES]. Employees in this class may not  
19 engage in strikes. Upon a showing by a public employer or the labor relations agency  
20 that employees in this class are engaging or about to engage in a strike, an injunction,  
21 restraining order, or other order that [WHICH] may be appropriate shall be granted  
22 by the superior court [IN THE JUDICIAL DISTRICT IN WHICH THE STRIKE IS  
23 OCCURRING OR IS ABOUT TO OCCUR]. If an impasse or deadlock is reached in  
24 collective bargaining between the public employer and employees in this class [,] and  
25 mediation has been used [UTILIZED] without resolving the deadlock, the parties shall  
26 submit to arbitration. The arbitrator shall be selected under (g) of this section [TO  
27 BE CARRIED OUT UNDER AS 09.43.030].

28 \* Sec. 13. AS 23.40.200(c) is amended to read:

29 (c) The class in (a)(2) of this section is composed exclusively of public utility,  
30 snow removal, residential care facility, and sanitation [, AND EDUCATIONAL  
31 INSTITUTION] employees and employees of hospitals other than licensed health

1        care providers [OTHER THAN EMPLOYEES OF A SCHOOL DISTRICT, A  
2 REGIONAL EDUCATIONAL ATTENDANCE AREA, OR THE STATE BOARDING  
3 SCHOOL]. Employees in this class may engage in a strike after mediation, subject  
4 to the voting requirement of (d) of this section, for a limited time. The limit is  
5 determined by the interests of the health, safety, or welfare of the public. The public  
6 employer or the labor relations agency may apply to the superior court in the judicial  
7 district in which the strike is occurring for an order enjoining the strike. A strike may  
8 not be enjoined unless it can be shown that it has begun to threaten the health, safety,  
9 or welfare of the public. A court, in deciding whether or not to enjoin the strike, shall  
10 consider the total equities in the particular class. "Total equities" includes not only the  
11 impact of a strike on the public but also the extent to which employee organizations  
12 and public employers have met their statutory obligations. If an impasse or deadlock  
13 still exists after the issuance of an injunction, the parties shall submit to arbitration.  
14 The arbitrator shall be selected under (g) of this section [TO BE CARRIED OUT  
15 UNDER AS 09.43.030].

16 \* Sec. 14. AS 23.40.200(d) is amended to read:

17            (d) The class in (a)(3) of this section includes all other public employees who  
18 are not included in the classes in (a)(1) or (a)(2) of this section, including employees  
19 of the Alaska marine highway system. Employees in this class may engage in a  
20 strike after an impasse or deadlock is reached in collective bargaining if a majority  
21 of the employees in a collective bargaining unit vote by secret ballot to do so.  
22 However, if an impasse or deadlock is reached in collective bargaining negotiations  
23 between a municipal school district, a regional educational attendance area, or the state  
24 boarding school and its employees, the parties shall submit to advisory arbitration  
25 before the employees may engage in a strike. The arbitrator selected to conduct the  
26 advisory arbitration must be a member of the American Arbitration Association Panel  
27 of Labor Arbitrators or the Federal Mediation and Conciliation Service. In selecting  
28 the arbitrator, the parties shall request a list of arbitrators who have knowledge of and  
29 recent experience in the local conditions in the school district, regional educational  
30 attendance area, or state boarding school. A list containing at least five nominees who  
31 meet the qualifications of this subsection is a complete list for the purpose of striking

1 names and selecting the arbitrator.

2 \* **Sec. 15.** AS 23.40.200 is amended by adding new subsections to read:

3 (g) An arbitrator selected to conduct arbitration under (b), (c), or (e) of this  
4 section must be a member of the Federal Mediation and Conciliation Service panel of  
5 labor arbitrators. In selecting an arbitrator, the parties shall request a list of arbitrators  
6 who have knowledge of and recent experience in the public sector and in this state or  
7 the Pacific Northwest region. A list containing at least seven nominees who meet the  
8 qualifications of this subsection is a complete list for the purpose of striking names and  
9 selecting the arbitrator. If the parties are unable to agree upon an arbitrator or a  
10 method of selecting an arbitrator within 30 days after impasse or deadlock, an  
11 arbitrator shall be selected under AS 09.43.030.

12 (h) Arbitration conducted under (b), (c), (d), or (e) of this section shall be open  
13 to the public and, the decision and award of the arbitrator are public records.

14 \* **Sec. 16.** AS 23.40.210(a) is amended to read:

15 (a) Upon the completion of negotiations between an organization and a public  
16 employer, if a settlement is reached, the employer shall reduce it to writing in the form  
17 of an agreement. The agreement must [MAY] include a term for which it will remain  
18 in effect, not to exceed three years. The agreement may not contain a provision for  
19 automatic renewal. The agreement must [SHALL] include a pay plan designed to  
20 provide for a cost-of-living differential between the salaries paid employees residing  
21 in the state and employees residing outside the state. The plan must [SHALL] provide  
22 that the salaries paid, as of August 26, 1977, to employees residing outside the state  
23 shall remain unchanged until the difference between those salaries and the salaries paid  
24 employees residing in the state reflects the difference between the cost of living in  
25 Alaska and living in Seattle, Washington. The agreement must [SHALL] include a  
26 grievance procedure that, during its term, has [WHICH SHALL HAVE] binding  
27 arbitration as its final step. Either party to the agreement has a right of action to  
28 enforce the agreement by petition to the labor relations agency. However, unless the  
29 labor organization is exempt from reporting requirements under AS 23.40.620, a  
30 labor organization that has failed to file the reports required by AS 23.40.400 may  
31 not petition the labor relations agency to enforce an agreement under this section.

1 \* Sec. 17. AS 23.40.210(c) is amended to read:

2 (c) The labor relations agency shall [COMMISSIONER OF  
3 ADMINISTRATION MAY] adopt regulations under AS 44.62 (Administrative  
4 Procedure Act) to clarify and implement the criteria for establishing and maintaining  
5 eligibility for the cost-of-living differential.

6 \* Sec. 18. AS 23.40.210(d) is amended to read:

7 (d) An agreement entered into under this chapter [AS 23.40.070 - 23.40.260]  
8 must require compliance with the eligibility criteria for receiving the cost-of-living  
9 differential contained in this section and the regulations adopted by the labor relations  
10 agency [COMMISSIONER] under (c) of this section.

11 \* Sec. 19. AS 23.40.210 is amended by adding new subsections to read:

12 (f) An arbitrator selected to conduct arbitration under (a) of this section must  
13 be a member of the Federal Mediation and Conciliation Service panel of labor  
14 arbitrators. In selecting an arbitrator, the parties shall request and maintain a list of  
15 arbitrators who have knowledge of and recent experience in the public sector and in  
16 this state or the Pacific Northwest region. A list containing at least seven nominees  
17 who meet the qualifications of this subsection is a complete list for the purpose of  
18 striking names and selecting the arbitrator.

19 (g) The decision and award in an arbitration conducted under this section are  
20 considered to be a final administrative determination under AS 44.62 (Administrative  
21 Procedures Act) for purposes of appeal. The decision and award are public records.

22 \* Sec. 20. AS 23.40.215(a) is amended to read:

23 (a) The monetary terms of any agreement entered into under this chapter and  
24 the extension or modification of an agreement, including an award by an  
25 arbitrator acting under AS 23.40.200, if the extension or modification affects in  
26 any way the monetary terms of an agreement, [AS 23.40.070 - 23.40.260] are  
27 subject to funding through [LEGISLATIVE] appropriation by the legislature or by  
28 the legislative body of a political subdivision that is subject to this chapter, as  
29 appropriate. A monetary term of an agreement is not effective or enforceable  
30 until the term has been approved and funded under this section.

31 \* Sec. 21. AS 23.40.215(b) is amended to read:

1 (b) The Department of Administration shall submit the monetary terms of an  
2 agreement, an arbitrator's award under AS 23.40.200, or an extension, or  
3 modification of an agreement, to the legislature within 10 legislative days after the  
4 agreement of the parties [,] if the legislature is in session, or within 10 legislative days  
5 after the convening of the next regular session. The legislature shall advise the parties  
6 by concurrent resolution if it approves or disapproves of the monetary terms within 60  
7 legislative days after the agreement is submitted to the legislature. The approval of  
8 the monetary terms of an agreement under this subsection is a nonbinding, advisory  
9 expression of legislative intent. If within 60 legislative days after the agreement is  
10 submitted the legislature advises the parties by concurrent resolution that it disapproves  
11 the monetary terms of the agreement, the parties shal, [MAY] resume negotiations.  
12 This subsection applies to an agreement, award, extension, or modification  
13 between the state, including the University of Alaska or a public corporation of  
14 the state, and a labor organization representing state employees.

15 \* Sec. 22. AS 23.40.215 is amended by adding new subsections to read:

16 (d) An agreement, resolution, settlement, or arbitrator's award during the term  
17 of a collective bargaining agreement between the state and a labor organization that

18 (1) will require the expenditure of \$10,000 or more over the life of the  
19 collective bargaining agreement or that requires the state to forego repayment of  
20 money owed to the state may not take effect until at least 30 days after a copy of the  
21 terms has been received by the Legislative Budget and Audit Committee for review;

22 (2) substantially modifies the monetary terms reported to the legislature  
23 under (a) of this section is subject to approval by the legislature as provided in (a) and  
24 (b) of this section and is not effective unless and until it receives legislative funding  
25 and approval.

26 (e) The legislative body of a political subdivision that is an employer under  
27 this chapter may, by ordinance or resolution, provide a system of review and approval  
28 of the monetary terms of collective bargaining agreements consistent with this section.

29 \* Sec. 23. AS 23.40.220 is amended to read:

30 Sec. 23.40.220. Labor or employee organization dues and employee  
31 benefits, deduction and authorization. Upon the voluntary written authorization of

1 a public employee within a bargaining unit, the public employer shall deduct from the  
2 payroll of the public employee the monthly amount of membership dues [, FEES,]  
3 and other employee benefits as certified by the secretary of the exclusive bargaining  
4 representative and shall deliver it to the chief fiscal officer of the exclusive bargaining  
5 representative. An authorization under this subsection may not be made  
6 irrevocable for a period longer than one year.

7 \* Sec. 24. AS 23.40.220 is amended by adding new subsections to read:

8 (b) Upon the voluntary written authorization of a public employee required to  
9 pay a service fee under AS 23.40.110(b), the public employer shall deduct from the  
10 salary of the employee the monthly amount of the service fee or other employee  
11 benefits as certified by the secretary of the exclusive bargaining representative and  
12 shall deliver the amount withheld to the chief fiscal officer of the exclusive bargaining  
13 representative. The authorization from the public employee may not take effect before  
14 the effective date of the applicable collective bargaining agreement, may not last later  
15 than the termination date of the collective bargaining agreement, and may not be made  
16 irrevocable for a period longer than one year.

17 (c) An authorization form presented to a public employee by a public employer  
18 or labor organization must clearly state that an employee required to pay a service fee  
19 under AS 23.40.110(b) is obligated to pay, as a condition of employment, only a  
20 service fee for representation and may not be compelled to be or become a member  
21 of a labor organization as a condition of employment or to provide monetary support  
22 to a labor organization's social, fraternal, or political activities.

23 \* Sec. 25. AS 23.40.250 is amended to read:

24 Sec. 23.40.250. Definitions. Except as otherwise provided in AS 23.40.900,  
25 in this chapter [IN AS 23.40.070 - 23.40.260], unless the context otherwise requires,

26 (1) "bargaining unit member" means an employee of a public  
27 employer who is employed in a position or job classification in a unit that has  
28 been recognized by the public employer or that has been determined by the labor  
29 relations agency to be appropriate for collective bargaining;

30 (2) "collective bargaining" means the performance of the mutual  
31 obligation of the public employer or the employer's designated representatives and the

1 representative of the employees to meet at reasonable times, including meetings in  
2 advance of the budget making process, and negotiate in good faith with respect to  
3 wages, hours, and other terms and conditions of employment, or the negotiation of an  
4 agreement, or negotiation of a question arising under an agreement and the execution  
5 of a written contract incorporating an agreement reached [IF REQUESTED BY  
6 EITHER PARTY], but these obligations do not compel either party to agree to a  
7 proposal or require the making of a concession;

8 (3) [(2)] "election" means a proceeding conducted by the labor relations  
9 agency in which the employees in a collective bargaining unit cast a secret ballot for  
10 collective bargaining representatives, or for any other purpose specified in this chapter  
11 [AS 23.40.070 - 23.40.260];

12 (4) "fee payer" or "service fee payer" means a person in a  
13 collective bargaining unit who is obligated to pay a service fee;

14 (5) "intentionally" has the meaning given in AS 11.81.900;

15 (6) "knowingly" has the meaning given in AS 11.81.900;

16 (7) "labor dispute" includes a controversy concerning wages, hours,  
17 or terms and conditions of employment, or concerning the association or  
18 representation of persons in negotiating, fixing, maintaining, changing, or seeking  
19 to arrange terms or conditions of employment, regardless of whether the  
20 disputants stand in the proximate relation of public employer and employee;

21 (8) [(3)] "labor relations agency" means the Alaska labor relations  
22 agency established in AS 23.05.360;

23 (9) "member" or "member in good standing," when used in  
24 reference to a labor organization, includes a person who has fulfilled the  
25 requirements for membership in the organization, and who neither has voluntarily  
26 withdrawn from membership nor has been expelled or suspended from  
27 membership after appropriate proceedings consistent with lawful provisions of the  
28 constitution and bylaws of the organization;

29 (10) [(4)] "monetary terms of an agreement" means the changes in the  
30 terms and conditions of employment from a predecessor agreement, or from the  
31 terms and conditions established by statute, ordinance, resolution, or other means,

1 resulting from an agreement that will require the expenditure of public money [AN  
2 APPROPRIATION] for their implementation or will result in a change in [STATE]  
3 revenues of the public employer or productive work hours for public [STATE]  
4 employees;

5 (11) "officer" means a constitutional officer, a person authorized  
6 to perform the functions of president, vice-president, secretary, treasurer, or other  
7 executive functions of a labor organization, and a member of its executive board  
8 or similar governing body, including an employee or agent of a labor organization  
9 who acts at the direction of an officer;

10 (12) "officer, agent, shop steward, or other representative," when  
11 used with respect to a labor organization, includes elected officials and key  
12 administrative personnel, whether elected or appointed, including business agents,  
13 heads of departments or major units, and organizers who exercise substantial  
14 independent authority, but does not include salaried nonsupervisory professional  
15 staff, stenographic, and service personnel;

16 (13) [(5)] "organization" means a labor or employee organization of any  
17 kind, an agency, or employee representative committee, group, association, or plan  
18 in which employees participate and that [WHICH] exists for the [PRIMARY] purpose,  
19 in whole or in part, of dealing with public employers concerning grievances, labor  
20 disputes, wages, rates of pay, hours of employment, and other terms and conditions  
21 of employment;

22 (14) "person" includes a labor organization;

23 (15) [(6)] "public employee" means any employee of a public employer,  
24 whether or not in the classified service of the public employer, and includes an  
25 individual whose work has stopped as a consequence of, or in connection with, a  
26 current labor dispute, because of an unfair labor practice, or because of exclusion  
27 or expulsion from a labor organization in any manner or for any reason  
28 inconsistent with the requirements of this chapter, except

29 (A) elected or appointed officials;

30 (B) [OR] superintendents of schools;

31 (C) temporary or nonpermanent employees;

- 1 (D) employees of the legislative branch of state government:  
2 (E) employees employed primarily to formulate, effectuate,  
3 or determine management policy in the area of collective bargaining; or  
4 (F) a person who is employed to act or assist a member of  
5 the legislative body of a political subdivision of the state or a justice, judge,  
6 or magistrate in the state court system in a confidential capacity;

7 (16) [(7)] "public employer" means

8 (A) the state or a political subdivision of the state, including  
9 without limitation, a municipality, district, school district, regional educational  
10 attendance area, board of regents, public and quasi-public corporation, housing  
11 authority, or other authority established by law;

12 (B) [, AND] a person designated by the public employer to act  
13 in its interest in dealing with public employees;

14 (C) a person employed by a public employer primarily to  
15 formulate, effectuate, or determine the public employer's policies in the  
16 area of labor relations;

17 (D) a group or association of public employers that

18 (i) is, with respect to public employees, an employer  
19 under this chapter; or

20 (ii) may deal with a labor organization concerning  
21 grievances, labor disputes, wages, rates of pay, hours of  
22 employment, or conditions of work;

23 (17) [(8)] "regional educational attendance area" means an educational  
24 service area in the unorganized borough that may or may not include a military  
25 reservation [,] and that contains one or more public schools of grade levels K - 12 or  
26 any portion of those grade levels that are to be operated under the management and  
27 control of a single regional school board;

28 (18) "secret ballot" means the expression by ballot, voting machine,  
29 or otherwise, but in no event by proxy, of a choice with respect to an election or  
30 vote taken on a matter, which is cast in such a manner that the person expressing  
31 the choice cannot be identified with the choice expressed;

1                    (19) "service fee" means a fee authorized by AS 23.40.110(b) for  
2                    the costs associated with representation:

3                    (20) [(9)] "terms and conditions of employment"

4                    (A) means the hours of employment, the compensation and  
5                    fringe benefits, and the employer's personnel policies affecting the working  
6                    conditions of the employees; but

7                    (B) does not mean the general policies describing the function  
8                    and purposes of a public employer.

9                    \* Sec. 26. AS 23.40.250 is amended by adding a new subsection to read:

10                    (b) A labor organization is subject to this chapter if it

11                    (1) is the recognized or certified representative of public employees  
12                    under this chapter;

13                    (2) although not certified, is a national or international labor  
14                    organization or a local labor organization recognized or acting as the representative of  
15                    employees of a public employer or employers under this chapter; or

16                    (3) has been chartered by a labor organization representing or actively  
17                    seeking to represent public employees as the local or subordinate body through which  
18                    the employees may enjoy membership or become affiliated with a labor organization.

19                    \* Sec. 27. AS 23.40 is amended by adding new sections to read:

20                    **Article 3. Rights of Members of Labor Organizations.**

21                    **Sec. 23.40.300. Rights of members of labor organizations.** (a) A member  
22                    of a labor organization has equal rights and privileges within the organization, subject  
23                    to reasonable rules and regulations in the organization's constitution and bylaws, to

24                    (1) nominate candidates;

25                    (2) vote in elections or referenda of the labor organization;

26                    (3) attend membership meetings, and participate in the deliberations and  
27                    vote on the business of those meetings.

28                    (b) A bargaining unit member, including a service fee payer, has equal rights  
29                    to vote in

30                    (1) an election that has as its purpose the acceptance or rejection of a  
31                    collective bargaining agreement reached under AS 23.40.210, or the modification,

1 extension, or amendment of an agreement;

2 (2) an election or referendum of the labor organization that affects  
3 wages, hours, or terms and conditions of employment of members of the bargaining  
4 unit or of a subdivision of the bargaining unit to which the employee belongs.

5 (c) A member of a labor organization has the right to meet and assemble freely  
6 with other members. Subject to (d) of this section, a member of a labor organization  
7 also has the right to express

8 (1) views, arguments, or opinions; and

9 (2) at meetings of the labor organization, the member's views on  
10 candidates in an election of the labor organization or on any business properly before  
11 the meeting.

12 (d) Notwithstanding (c) of this section, a labor organization has the right to  
13 adopt and enforce reasonable rules concerning the conduct of meetings, the  
14 responsibility of every member toward the organization as an institution, and to the  
15 members refraining from conduct that would interfere with the performance of the  
16 labor organization's obligations.

17 **Sec. 23.40.310. Dues, initiation fees, and assessments.** (a) Except in the  
18 case of a federation of national or international labor organizations, the rates of dues  
19 and initiation fees payable by members of a labor organization in effect on the  
20 effective date of this Act may not be increased and a general or special assessment  
21 may not be levied on the members of the labor organization except as provided in this  
22 section.

23 (b) A labor organization may increase dues or initiation fees or impose a  
24 special or general assessment by majority vote by secret ballot of the members in good  
25 standing voting

26 (1) at a general or special membership meeting after reasonable notice  
27 of the intention to vote on the question; or

28 (2) in a membership referendum.

29 **Sec. 23.40.320. Protection of the right to sue.** (a) Except as provided in (b)  
30 of this section, a labor organization may not limit the right of a member of

31 (1) the labor organization to institute an action in a court, or a

1 proceeding before an administrative agency, whether the labor organization or its  
2 officers are named as defendants or respondents in the action or proceeding; or

3 (2) a labor organization to appear as a witness in a judicial, legislative,  
4 or administrative proceeding, including a grievance proceeding or an arbitration  
5 proceeding, to petition the legislature, or to communicate with a legislator.

6 (b) A labor organization may require a member to exhaust reasonable hearing  
7 procedures within the organization, not to exceed a two-month lapse of time following  
8 the member's commencement of the proceeding, before instituting legal or  
9 administrative proceedings against the labor organization or an officer of the labor  
10 organization.

11 (c) An interested public employer or employer association may not directly or  
12 indirectly finance, encourage, appear in, or participate in, except as a party, an action,  
13 proceeding, or petition described in (a) of this section.

14 **Sec. 23.40.330. Safeguards against improper disciplinary action.** (a) A  
15 labor organization may not fine, suspend, expel, or otherwise discipline a member or  
16 an officer of the organization except for nonpayment of dues unless the member or  
17 officer has been

18 (1) served with written specific charges;

19 (2) given a reasonable time to prepare a defense; and

20 (3) afforded a fair hearing.

21 (b) Any part of the constitution or bylaws of a labor organization that is  
22 inconsistent with this section is void.

23 (c) A person whose rights have been infringed by a violation of  
24 AS 23.40.340(a) or this section may bring a civil action in superior court for  
25 appropriate relief, including injunctions.

26 (d) Nothing in AS 23.40.300 - 23.40.350 limits the rights and remedies of a  
27 member of a labor organization under state or federal law, or before a court or other  
28 tribunal, or under the constitution and bylaws of a labor organization.

29 **Sec. 23.40.340. Right to copies of a collective bargaining agreement.** (a)  
30 The secretary or the equivalent officer shall maintain at the principal office of that  
31 labor organization copies of the agreements made or received by the labor

1 organization. If the labor organization does not have its principal office in this state,  
2 it shall make the copies available at a location in this state.

3 (b) A collective bargaining agreement between a labor organization and a  
4 public employer, including extensions, modifications, and amendments of the  
5 agreement, is a public record under AS 09.25.110.

6 **Sec. 23.40.350. Information concerning the Public Employment Relations**  
7 **Act.** A labor organization shall inform its members of the provisions of this chapter.

8 **Article 4. Reporting by Labor Organizations.**

9 **Sec. 23.40.400. Reporting by labor organizations.** (a) A labor organization  
10 shall adopt a constitution and bylaws and, except for a labor organization that is  
11 exempt from filing requirements under AS 23.40.620, shall file copies of them with  
12 the commissioner together with a report signed by the organization's president and  
13 secretary or the equivalent officers containing

14 (1) the name of the labor organization, its mailing address, and any  
15 other address at which it maintains its principal office or keeps the records referred to  
16 in AS 23.40.400 - 23.40.430;

17 (2) the name and title of each of the organization's officers;

18 (3) the amount of the initiation fee or fees required from a new or  
19 transferred member and hiring hall fees required by the reporting labor organization;

20 (4) the amount of the regular dues or fees or other periodic payments  
21 required to remain a member of the labor organization and the service fee required of  
22 an employee subject to an agreement authorized by AS 23.40.110(b); and

23 (5) detailed statements, or references to specific provisions of  
24 documents filed under this subsection that contain the required statements, showing the  
25 provisions made and procedures followed with respect to

26 (A) qualifications for or restrictions on membership;

27 (B) the levying of assessments;

28 (C) participation in insurance or other benefit plans;

29 (D) authorization for disbursement of funds of the labor  
30 organization;

31 (E) the audit of financial transactions of the labor organization;

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(F) calling regular and special meetings;

(G) selection of officers, stewards, and representatives to other bodies composed of labor organizations' representatives with a specific statement of the manner in which each officer was elected, appointed, or otherwise selected;

(H) discipline or removal of officers or agents for breaches of trust;

(I) imposition of fines, suspensions, and expulsions of members, including the grounds for the action and provisions made for notice, hearing, judgment on the evidence, and appeal procedures;

(J) authorization for bargaining demands;

(K) ratification of contract terms;

(L) authorization for strikes; and

(M) the issuance of work dispatches.

(b) A labor organization shall report a change in the information required by (a) of this section to the commissioner at the time the labor organization files the annual financial report required by (c) of this section.

(c) Except as provided in (e) of this section or in AS 23.40.620, a labor organization that is a party to an agreement authorized by AS 23.40.110(b), that represents a bargaining unit of more than 75 employees, or that has an aggregate income from dues, fees, and assessments in excess of \$50,000, shall file annually with the commissioner a financial report for the preceding fiscal year, signed by its president and treasurer or the equivalent officers, containing the information required by this subsection in adequate detail to accurately disclose the organization's financial condition and operations. The financial report must be organized in categories prescribed by the commissioner that permit the identification of costs associated with political, social, fraternal, or other activities not incident to the negotiation or administration of a collective bargaining agreement or the adjustment of grievances and must contain

(1) assets and liabilities of the organization at the beginning and end of the fiscal year;

1 (2) receipts of any kind and the sources for the receipts;

2 (3) salary, allowances, and other direct or indirect disbursements,  
3 including reimbursed expenses, to each officer, employee, consultant, or contractor  
4 who, during the fiscal year, received more than \$500 in the aggregate from the labor  
5 organization and any other labor organization affiliated with it or with which it is  
6 affiliated or that is affiliated with the same national or international labor organization;

7 (4) direct and indirect loans made to an officer, employee, or member  
8 that aggregated more than \$250 during the fiscal year, together with a statement of the  
9 purpose, security, if any, and arrangements for repayment;

10 (5) direct and indirect loans to a business enterprise, together with a  
11 statement of the purpose, security, if any, and arrangements for repayment;

12 (6) any payment of money or other thing of value and any expenditure,  
13 including compensation and reimbursed expenses paid to employees or agents of the  
14 labor organization, that is intended to influence the outcome of an election of a  
15 candidate, a ballot proposition, or the passage or defeat of legislation; and

16 (7) other disbursements made by the labor organization and the  
17 purposes of those disbursements.

18 (d) A labor organization required to submit a report under this chapter shall  
19 maintain the information required to be reported in this state and make it available to  
20 all of its members and fee payers without cost to the member or fee payer.

21 (e) A labor organization that has established the amount of its service fee as  
22 a result of the decision or order of an impartial arbitrator or court may comply with  
23 the reporting requirements set out in (c) of this section by annually filing a copy of the  
24 order or decision with the commissioner.

25 **Sec. 23.40.410. Exemptions for attorney-client and deliberative**  
26 **communications.** (a) AS 23.40.400 - 23.40.430 may not be construed to require an  
27 attorney who is a member in good standing of the state bar to include in a report  
28 required to be filed under AS 23.40.400 - 23.40.430, information that was lawfully  
29 communicated to the attorney by a client in the course of an attorney-client  
30 relationship.

31 (b) If a note, letter, memorandum, or other writing between elected or

1 appointed officials of a public employer or between an elected or appointed official  
2 or a person who formulates, effectuates, or determines management policies and a  
3 person who assists or acts in a confidential capacity in labor relations matters is  
4 deliberative in nature and does not constitute a final administrative determination, it  
5 is privileged and confidential and is not a public document.

6 **Sec. 23.40.420. Reports; public records.** (a) The reports and documents filed  
7 with the commissioner under AS 23.40.400 are public records under AS 09.25.110.

8 (b) A person required to file a report under this chapter shall maintain records  
9 at a location in the state on the matters required to be reported for a period of not less  
10 than five years after the filing of the documents based on the information that the  
11 records contain. The records must

12 (1) provide the necessary basic detailed information and data from  
13 which the documents filed with the commissioner may be verified, explained, or  
14 clarified, and checked for accuracy and completeness;

15 (2) include vouchers, worksheets, receipts, and applicable resolutions.

16 (c) A labor organization required to report under AS 23.40.400 shall file the  
17 initial report required under AS 23.40.400 within 30 days after the date on which the  
18 labor organization first becomes subject to this chapter. A person required to file a  
19 report under AS 23.40.400 shall file the report within 90 days after the end of the  
20 person's fiscal year.

21 **Sec. 23.40.430. Criminal provisions.** (a) A person who intentionally violates  
22 a provision of AS 23.40.400 - 23.40.420 is guilty of a class A misdemeanor.

23 (b) A person who makes a false statement or representation of a material fact,  
24 knowing it to be false, or who knowingly fails to disclose a material fact, in a  
25 document, report, or other information required under AS 23.40.400 - 23.40.420 is  
26 guilty of a class A misdemeanor.

27 (c) A person who intentionally makes a false entry in or intentionally  
28 withholds or destroys books, records, reports, or statements required to be kept under  
29 AS 23.40.400 - 23.40.420 is guilty of a class A misdemeanor.

30 (d) An individual required to sign reports under AS 23.40.400 shall be  
31 personally responsible for the filing of the report and for any statement contained in

1 the report that the person knows to be false.

2 **Article 5. Restrictions on Financial Transactions.**

3 **Sec. 23.40.500. Payment or lending of money.** (a) It shall be unlawful for  
4 a public employer, elected or appointed official, association of public employers, or  
5 person who acts as a labor relations expert, advisor, or consultant to a public employer  
6 or who has been designated to act in the interest of an employer in dealing with public  
7 employees to pay, lend, or deliver, or agree to pay, lend, or deliver, money or other  
8 thing of value to

9 (1) a representative of its employees;

10 (2) a labor organization or an officer or employee of a labor  
11 organization that represents, seeks to represent, or would admit to membership,  
12 employees of the public employer:

13 (3) an employee or group or committee of employees of the public  
14 employer in excess of the employees' normal compensation to cause the employee,  
15 group, or committee directly or indirectly to influence other employees in the exercise  
16 of organizing and bargaining rights under this chapter; or

17 (4) an officer or employee of a labor organization with intent to  
18 influence the officer or employee in respect to actions, decisions, or duties taken as a  
19 representative of employees or as an officer or employee of the labor organization.

20 (b) It is unlawful for a person to request, demand, receive, or accept, or agree  
21 to receive or accept, a payment, loan, or delivery of money or other thing of value  
22 prohibited by (a) of this section.

23 (c) It is unlawful for a labor organization, or for a person acting as an officer,  
24 agent, representative, or employee of a labor organization, to

25 (1) demand or accept from an officer or elected or appointed official  
26 of a public employer money or other thing of value payable to the organization or to  
27 an officer, agent, representative, employee, or member of the organization as a fee or  
28 charge for refraining from the prosecution of a grievance, arbitration, or other  
29 administrative proceeding or to secure resolution of a negotiation, grievance,  
30 arbitration, or other administrative proceeding;

31 (2) offer, deliver, or cause to be delivered to an officer or elected or

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appointed official, including candidates for public office, of a public employer, money or other thing of value as a contribution to a political campaign, voter education campaign, or defense fund if the purpose or effect of that contribution is to affect the outcome of a negotiation, grievance, arbitration, or other administrative proceeding or labor dispute between the public employer and the labor organization.

(d) This section does not apply with respect to

(1) money or other thing of value payable by an employer to

(A) an employee whose established duties include acting openly for the employer in matters of labor relations or personnel administration; or

(B) an officer or employee of a labor organization who is also an employee or former employee of the employer as compensation for, or by reason of, the officer's or employee's service as an employee of the employer;

(2) the payment or delivery of money or other thing of value in satisfaction of a judgment of a court or a decision or award of an arbitrator or impartial chair or in compromise, adjustment, settlement, or release of any claim, complaint, grievance, or dispute in the absence of fraud or duress;

(3) the sale or purchase of an article or commodity at the prevailing market price in the regular course of business;

(4) money deducted from the wages of employees in payment of service fees or membership dues of a labor organization if the employer has received from each employee on whose account the deductions are made a written assignment under an agreement authorized by AS 23.40.220;

(5) money or other thing of value paid to a trust fund that satisfies the requirements of (e) of this section;

(6) money or other thing of value paid by an employer to a trust fund established by the representative for the purpose of pooled vacation, holiday, severance, or similar benefits, or defraying costs of apprenticeship or other training programs; this paragraph does not require a labor organization or employer to bargain on the establishment of a trust fund, and refusal to do so does not constitute an unfair labor practice;

(7) money or other thing of value paid, lent, or delivered by a public

1 employer to a person covered by this section if the transaction is part of the  
2 employer's regular activities and the person covered by this section does not receive  
3 special treatment or special consideration of any sort because of the person's status  
4 with regard to public employment labor relations.

5 (e) To qualify as a trust fund under (d)(5) of this section,

6 (1) the trust fund must be established by a representative of the labor  
7 organization, for the sole and exclusive benefit of the employees of the employer, and  
8 the employee's family and dependents, or of those employees, families, and dependents  
9 jointly with the employees of other employers making similar payments and the  
10 families and dependents of the other employees;

11 (2) payments must be held in trust for the purpose of paying, either  
12 from principal or income or both, for the benefit of employees, the employee's family  
13 and dependents, for medical or hospital care, pensions on retirement or death of  
14 employees, compensation for injuries or illness resulting from occupational activity,  
15 or insurance to provide any of the foregoing, or unemployment benefits or life  
16 insurance, disability and health insurance, or accident insurance;

17 (3) the agreement for administration of the trust must contain provisions  
18 for an annual audit of the trust fund, a statement of the results of which shall be  
19 available for inspection by interested persons at the principal office of the trust fund  
20 and at other places designated in the written agreement; and

21 (4) those payments from the trust that are intended to be used for  
22 providing pensions or annuities for employees must be made to a separate trust that  
23 provides that the funds held in the separate trust cannot be used for any purpose other  
24 than paying the pensions or annuities.

#### 25 **Article 6. Miscellaneous Provisions.**

26 **Sec. 23.40.600. Retention of rights under other state laws.** Except as  
27 explicitly provided to the contrary, nothing in this chapter

28 (1) reduces or limits the responsibilities of a labor organization or an  
29 officer, agent, shop steward, or other representative of a labor organization, or of a  
30 trust in which a labor organization is interested, under the laws of the state; or

31 (2) takes away a right or bars a remedy to which members of a labor

1 organization are entitled under federal or state law.

2 **Sec. 23.40.610. Service of process.** For the purposes of this chapter, service  
3 of summons, subpoena, or other legal process of a court of the state upon an officer  
4 or agent of a labor organization in the officer's or agent's capacity as such constitutes  
5 service on the labor organization.

6 **Sec. 23.40.620. Exemption from reporting requirements for labor**  
7 **organizations subject to certain federal requirements.** A labor organization or a  
8 subdivision of a labor organization that represents or seeks to represent public  
9 employees and that is subject to reporting requirements under 29 U.S.C. 401 - 531 is  
10 exempt from the requirement to file reports under AS 23.40.300 - 23.40.500 so long  
11 as the labor organization or division of a labor organization files with the  
12 commissioner a copy of each report required by 29 U.S.C. 401 - 531.

13 **Article 10. Definition for AS 23.40.300 - 23.40.900.**

14 **Sec. 23.40.900. Definition for AS 23.40.300 - 23.40.900.** In AS 23.40.300 -  
15 23.40.900, "employer" includes a person acting directly or indirectly as an employer  
16 or an agent of an employer in relation to a public employee.

17 \* **Sec. 28.** AS 39.20.310(8) is amended to read:

18 (8) persons employed by the division of marine transportation as  
19 masters and members of the crews operating the state ferry system who are covered  
20 by collective bargaining agreements as provided in AS 23.40.210 [AS 23.40.040],  
21 except as expressly provided by law;

22 \* **Sec. 29.** AS 39.25.110(16) is amended to read:

23 (16) persons employed by the division of marine transportation as  
24 masters and members of the crews of vessels who operate the state ferry system and  
25 who are covered by a collective bargaining agreement provided in AS 23.40  
26 [AS 23.40.040];

27 \* **Sec. 30.** AS 23.40.020, 23.40.030, 23.40.040, 23.40.215(c), and 23.40.240 are repealed.

28 \* **Sec. 31. REPORT FROM LABOR ORGANIZATION.** Notwithstanding the deadline set  
29 out in AS 23.40.420(c), a labor organization that is subject to the requirements of  
30 AS 23.40.420 on the effective date of this Act must file its initial report under AS 23.40.420  
31 no later than 30 days after the effective date of this Act.

1 \* **Sec. 32.** Notwithstanding the provisions of AS 23.40.090(c) and (d), enacted by sec. 4  
2 of this Act, a bargaining unit in effect on the effective date of this Act that is composed of  
3 employees of a political subdivision of the state and that has been determined to be an  
4 appropriate bargaining unit by the Alaska Labor Relations Agency or the former State Labor  
5 Relations Agency is not subject to AS 23.40.090(c) or (d), enacted by sec. 4 of this Act.

6 \* **Sec. 33. INSTRUCTIONS TO THE REVISOR OF STATUTES.** (a) The revisor of  
7 statutes shall substitute "this chapter" for "AS 23.40.070 - 23.40.260" wherever "AS 23.40.070  
8 - 23.40.260" occurs in AS 23.40.

9 (b) The revisor of statutes shall substitute "AS 23.40" for "AS 23.40.070 - 23.40.260"  
10 wherever "AS 23.40.070 - 23.40.260" occurs in the Alaska Statutes, other than in AS 23.40.

0-LS0675X  
Cramer  
5/4/98

HOUSE CS FOR CS FOR SENATE BILL NO. 151(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:  
Referred:

Sponsors): SENATE FINANCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 'An Act relating to public employment labor relations; relating to the protection  
2 of the rights of public employees under the Public Employment Relations Act;  
3 establishing ethical standards for union representatives of public employees; and  
4 establishing disclosure requirements for public employee labor organizations."

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

6 \* Section 1. SHORT TITLE. This Act may be known as the Alaska Public Employees'  
7 Pay Check Protection Act.

8 \* Sec. 2. AS 23.40.110(b) is amended to read:

9 (b) Nothing in this chapter prohibits a public employer from making an  
10 agreement with an organization to require as a condition of employment

11 [(1) MEMBERSHIP IN THE ORGANIZATION WHICH  
12 REPRESENTS THE UNIT ON OR AFTER THE 30TH DAY FOLLOWING THE  
13 BEGINNING OF EMPLOYMENT OR ON THE EFFECTIVE DATE OF THE  
14 AGREEMENT, WHICHEVER IS LATER; OR

1 (2)] payment by the employee to the exclusive bargaining agent of a  
2 service fee to reimburse the exclusive bargaining agent for the expense of representing  
3 the members of the bargaining unit. The service fee may only include  
4 reimbursement for collective bargaining activities, including the adjustment of  
5 grievances.

6 \* Sec. 3. AS 23.40 is amended by adding a new section to read:

7 **Sec. 23.40.105. Rights of members of labor organizations and ethical**  
8 **obligations of union representatives.** (a) A member of a labor organization has the  
9 right to meet and assemble freely with other members. A union representative may  
10 not infringe these rights. Subject to (b) of this section, a member of a labor  
11 organization also has the right to express

12 (1) views, arguments, or opinions; and

13 (2) at meetings of the labor organization, the member's views on  
14 candidates in an election of the labor organization or on any business properly before  
15 the meeting.

16 (b) Notwithstanding (a) of this section, a labor organization has the right to  
17 adopt and enforce reasonable rules concerning

18 (1) the conduct of meetings;

19 (2) the responsibility of every member toward the organization as an  
20 institution; and

21 (3) the duty of members to refrain from conduct that would interfere  
22 with the performance of the labor organization's obligations.

23 \* Sec. 4. AS 23.40.215(a) is amended to read:

24 (a) The monetary terms of any agreement entered into under AS 23.40.070 -  
25 23.40.260 and the extension or modification of an agreement, including an award  
26 by an arbitrator acting under AS 23.40.200, if the extension or modification  
27 affects in any way the monetary terms of an agreement, are subject to funding  
28 through [LEGISLATIVE] appropriation by the legislature or by the legislative body  
29 of a political subdivision that is subject to this chapter, as appropriate. A  
30 monetary term of an agreement is not effective or enforceable until the term has  
31 been approved and funded under this section.

1 \* Sec. 5. AS 23.40.215(b) is amended to read:

2 (b) The Department of Administration shall submit the monetary terms of an  
3 agreement, an arbitrator's award under AS 23.40.200, or an extension, or  
4 modification of an agreement, to the legislature within 10 legislative days after the  
5 agreement of the parties [.] if the legislature is in session, or within 10 legislative days  
6 after the convening of the next regular session. The legislature shall advise the parties  
7 by concurrent resolution if it approves or disapproves of the monetary terms within 60  
8 legislative days after the agreement is submitted to the legislature. The approval of  
9 the monetary terms of an agreement under this subsection is a nonbinding, advisory  
10 expression of legislative intent. If within 60 legislative days after the agreement is  
11 submitted the legislature advises the parties by concurrent resolution that it disapproves  
12 the monetary terms of the agreement, the parties shall [MAY] resume negotiations.  
13 This subsection applies to an agreement, award, extension, or modification  
14 between the state, including the University of Alaska or a public corporation of  
15 the state, and a labor organization representing state employees.

16 \* Sec. 6. AS 23.40.215 is amended by adding new subsections to read:

17 (d) An agreement, resolution, settlement, or arbitrator's award during the term  
18 of a collective bargaining agreement between the state and a labor organization that

19 (1) will require the expenditure of \$10,000 or more over the life of the  
20 collective bargaining agreement or that requires the state to forego repayment of  
21 money owed to the state may not take effect until at least 30 days after a copy of the  
22 terms has been received by the Legislative Budget and Audit Committee for review;

23 (2) substantially modifies the monetary terms reported to the legislature  
24 under (a) of this section is subject to approval by the legislature as provided in (a) and  
25 (b) of this section and is not effective unless and until it receives legislative funding  
26 and approval.

27 (e) The legislative body of a political subdivision that is an employer under  
28 this chapter may, by ordinance or resolution, provide a system of review and approval  
29 of the monetary terms of collective bargaining agreements consistent with this section.

30 \* Sec. 7. AS 23.40.220 is amended to read:

31 Sec. 23.40.220. Labor or employee organization disclosures and

1 authorization for deductions of dues and employee benefits. Upon the voluntary  
2 written authorization of a public employee within a bargaining unit, the public  
3 employer shall deduct from the payroll of the public employee the monthly amount of  
4 membership dues [ . FEES,] and other employee benefits as certified by the secretary  
5 of the exclusive bargaining representative and shall deliver it to the chief fiscal officer  
6 of the exclusive bargaining representative. An authorization under this subsection  
7 may not be made irrevocable for a period longer than one year.

8 \* Sec. 8. AS 23.40.220 is amended by adding new subsections to read:

9 (b) Upon the voluntary written authorization of a public employee required to  
10 pay a service fee under AS 23.40.110( the public employer shall deduct from the  
11 salary of the employee the monthly amount of the service fee or other employee  
12 benefits as certified by the secretary of the exclusive bargaining representative and  
13 shall deliver the amount withheld to the chief fiscal officer of the exclusive bargaining  
14 representative. The authorization may not be made irrevocable beyond the expiration  
15 of the collective bargaining agreement under which it was made or for a period longer  
16 than one year, whichever occurs first.

17 (c) An authorization form presented to a public employee by a public employer  
18 or labor organization must clearly disclose that an employee required to pay a service  
19 fee under AS 23.40.110(b) is obligated to pay, as a condition of employment, only a  
20 service fee for representation and may not be compelled to be or become a member  
21 of a labor organization as a condition of employment or to provide monetary support  
22 to a labor organization's social, fraternal, or political activities.

23 (d) A public employee who wishes to direct a public employer to deduct from  
24 the public employee's wages an amount for payment to a group under AS 15.13, a  
25 separate segregated fund, an intermediary that contributes to a group, or a regional or  
26 national political action committee or separate segregated fund shall execute a separate  
27 authorization indicating that the employee consents to the deduction from the  
28 employee's wages of an amount to be used for political purposes. A public employer  
29 may not enter into an agreement with a union that requires the employer to contribute  
30 money on behalf of its employees for political purposes. This subsection may not be  
31 interpreted to prohibit an individual from making a personal contribution to a group

1 or separate segregated fund.

2 (e) In this section,

3 (1) "group" has the meaning given in AS 15.13.400;

4 (2) "separate segregated fund" means a fund described in AS 23.40.227.

5 \* **Sec. 9.** AS 23.40 is amended by adding a new section to read:

6 **Sec. 23.40.227. Limits on use of money collected from members and**  
7 **others.** (a) Except for money contributed to a separate segregated fund under (b) of  
8 this section, a labor organization may not expend money collected from members, or  
9 from the interest earned on money collected from members, for political purposes.

10 (b) A labor organization may only make an expenditure for a political purpose  
11 from money collected from members if the labor organization establishes a separate  
12 segregated fund. If the fund makes a contribution in a state or municipal election, it  
13 shall register as a group as required by AS 15.13 and file the reports required by that  
14 chapter. In establishing and administering a separate segregated fund, the labor  
15 organization shall ensure that

16 (1) contributions to the fund are solicited independently from another  
17 solicitation made by the organization;

18 (2) dues or other fees for membership in the labor organization or in  
19 place of membership dues or fees are not

20 (A) used for political purposes;

21 (B) transferred to the separate segregated fund; or

22 (C) intermingled in any way with money in the fund;

23 (3) the cost of administering the fund is paid from contributions to that  
24 fund and not from other revenue of the labor organization.

25 (c) A labor organization may not make a contribution under AS 15.13 using  
26 money or other thing of value that was

27 (1) secured by physical force, job discrimination, membership  
28 discrimination, or financial reprisals, or the threat of any of these;

29 (2) raised from dues, fees, or other money required to be paid as a  
30 condition of membership in the labor organization or in lieu of membership in the  
31 organization; or

1 (3) obtained in a commercial transaction.

2 (d) In soliciting contributions to a separate segregated fund, a labor  
3 organization

4 (1) shall inform the employee that the fund has a political purpose and  
5 that the employee may refuse to contribute without fear of reprisal;

6 (2) may not solicit money for the fund from a person other than a  
7 member of the bargaining unit represented by the labor organization or the immediate  
8 family of a bargaining unit member;

9 (3) may not compensate a member who has contributed or promised  
10 to contribute to the fund by providing a bonus, expense account, rebate of dues or  
11 other fees, or any other form of direct or indirect compensation; and

12 (4) may not solicit contributions during the employee's working hours  
13 or at the employee's place of work.

14 (e) A person who violates (c) or (d) of this section is guilty of a class A  
15 misdemeanor.

16 (f) In this section,

17 (1) "fund" means a separate segregated fund described in this section;

18 (2) "immediate family" means the spouse, parents, children, including  
19 a stepchild and an adoptive child, and siblings of a person;

20 \* Sec. 10. AS 23.40.250(4) is amended to read:

21 (4) "monetary terms of an agreement" means the changes in the terms  
22 and conditions of employment from a predecessor agreement, or from the terms  
23 and conditions established by statute, ordinance, resolution, or other means,  
24 resulting from an agreement that will require the expenditure of public money [AN  
25 APPROPRIATION] for their implementation or will result in a change in [STATE]  
26 revenues of the public employer or productive work hours for public [STATE]  
27 employees;

28 \* Sec. 11. AS 23.40.250 is amended by adding new paragraphs to read:

29 (10) "political purposes"

30 (A) means an activity carried out for the purpose of

31 (i) influencing, in whole or in part, an election for state.

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municipal, or other local government;

(ii) influencing the consideration or outcome of any ballot measure, state legislation, or legislation before the legislative body of a municipality or school district, or the issuance or outcome of state regulations or regulations promulgated by a municipality or school district;

(iii) educating individuals about candidates for elected office of the state, a municipal government, or other local government;

(iv) educating individuals about a ballot measure, legislation, or regulation;

(B) does not include lobbying or other political activity directly related to securing approval of the monetary terms of an agreement that has been submitted for approval under AS 23.40.215.

(11) "service fee" means a fee authorized by AS 23.40.110(b) for the costs associated with representation;