

Senate Bill 40

By: Senators Lamutt of the 21st, Clay of the 37th and Crotts of the 17th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 1 of Chapter 5 of Title 21 of the Official Code of Georgia Annotated,  
2 relating to general provisions relative to ethics in government, so as to regulate political  
3 contributions and expenditures by labor organizations and separate segregated funds thereof;  
4 to amend Article 2 of Chapter 6 of Title 34 of the Official Code of Georgia Annotated,  
5 relating to membership in labor organizations, so as to regulate certain political  
6 contributions; to regulate deductions from employees' earnings of contributions to labor  
7 organizations or separate segregated funds thereof to be used for political purposes; to  
8 regulate contracts allowing deductions from employees' earnings of contributions to labor  
9 organizations or separate segregated funds thereof to be used for political purposes; to  
10 provide for punishments; to provide for related matters; to provide for a short title; to repeal  
11 conflicting laws; and for other purposes.

12 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

13 **SECTION 1.**

14 This Act shall be known and may be cited as the "Labor and Employer Campaign Finance  
15 Reform Act."

16 **SECTION 2.**

17 Article 1 of Chapter 5 of Title 21 of the Official Code of Georgia Annotated, relating to  
18 general provisions relative to ethics in government, is amended by adding a new Code  
19 Section 21-5-13 to read as follows:

20 "21-5-13.

21 A labor organization as defined in Code Section 34-6-20 or a separate segregated fund  
22 thereof as defined in Code Section 21-5-40 shall not make a contribution subject to the  
23 provisions of Code Section 21-5-43 or a related expenditure of any funds which were  
24 deducted by an employer from employee wages or other earnings and held for or paid over

1 to such labor organization or separate segregated fund unless such deduction was made in  
2 compliance with subsection (c) of Code Section 34-6-29."

3 **SECTION 3.**

4 Article 2 of Chapter 6 of Title 34 of the Official Code of Georgia Annotated, relating to  
5 membership in labor organizations, is amended by striking Code Section 34-6-26, relating  
6 to contracts allowing deductions from employees' earnings of fees of labor organizations,  
7 and inserting in lieu thereof the following:

8 "34-6-26.

9 (a) It shall be unlawful for any employer to contract with any labor organization and for  
10 any labor organization to contract with any employer for the deduction of any fee,  
11 assessment, or other sum of money whatsoever from the wages or other earnings of an  
12 employee to be held for or to be paid over to a labor organization except upon the condition  
13 to be embodied in said contract that such deduction will be made only on the individual  
14 order or request of the employee, which shall not be irrevocable for a period of more than  
15 one year.

16 (b) It shall be unlawful for any employer to contract with any labor organization or separate  
17 segregated fund thereof as defined in Code Section 21-5-40 and for any labor organization  
18 or separate segregated fund thereof to contract with any employer for the deduction of any  
19 sum of money whatsoever from the wages or other earnings of an employee to be held for  
20 or to be paid over to such organization or fund and used for making any contribution  
21 subject to the provisions of Code Section 21-5-43 or any related expenditure as defined in  
22 Code Section 21-5-3 except upon the condition to be embodied in said contract that such  
23 deduction will be made in compliance with the provisions of subsection (c) of Code  
24 Section 34-6-29."

25 **SECTION 4.**

26 Said article is further amended by adding a new Code Section 34-6-29 to read as follows:

27 "34-6-29.

28 (a) No employer or labor organization shall increase the salary or compensation of an  
29 officer or employee, or give an emolument to an officer, employee, or other person or  
30 entity, with the intention that the increase in salary, or the emolument, or any part thereof,  
31 be contributed or spent to support or oppose a candidate or public official, political party,  
32 or political committee.

33 (b) No employer or labor organization shall discriminate against an officer or employee  
34 in the terms or conditions of employment for:

1 (1) Failing to contribute to a candidate, public official, ballot proposition, political party,  
2 or political committee; or

3 (2) Supporting or opposing a candidate, public official, ballot proposition, political party,  
4 or political committee.

5 (c) No employer, labor organization, or other person or entity responsible for the  
6 disbursement of wages or salaries shall withhold or divert a portion of an employee's  
7 wages or salaries for contributions to candidates, political parties, or political committees  
8 or for use as political contributions except upon the express prior written consent of the  
9 employee. The consent must be made on a form which clearly informs the employee of  
10 the prohibition against employer and labor organization discrimination described in  
11 subsection (b) of this Code section. The written consent shall be valid for no more than 12  
12 months from the date it is given by the employee.

13 (d) Each person or entity who withholds contributions under subsection (c) of this Code  
14 section shall maintain for public inspection for a period of not less than three years, during  
15 normal business hours, documents and books of accounts that shall include a copy of each  
16 employee's consent, the amounts of and dates funds were withheld, and the amounts of and  
17 dates funds were transferred to a political committee, candidate, public official, or political  
18 party.

19 (e) A person who knowingly violates this Code section is guilty of a felony punishable,  
20 if the person is an individual, by a fine of \$10,000.00 or a fine equal to two times the total  
21 contributions obtained from all employees in violation of this Code section, whichever  
22 amount is greater, or by imprisonment for not more than three years, or both. If the person  
23 is not an individual, each violation shall be punishable by a fine of \$50,000.00 or a fine  
24 equal to two times the total contributions obtained from all employees in violation of this  
25 Code section, whichever amount is greater, in addition to the cost of investigation and  
26 prosecution of such a claim. Any individual whose rights under this Code section are  
27 violated shall have a civil cause of action for three times the amount of wages or salary  
28 unlawfully withheld and reimbursement of attorney's fees and all other costs of pursuing  
29 such a claim."

## 30 SECTION 5.

31 All laws and parts of laws in conflict with this Act are repealed.