

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

House Bill 577 (Delegate Jacobs. *et al.*)

Commerce and Government Matters

**Election Laws - Employee Organization Representation and Service Fees - Use for
Political Purposes**

This bill prohibits the use of an employee's service representation fee by an employee organization for political purposes unless the employee has consented in writing for a portion of the fee to be used in this manner. Currently, an employee organization may use employee service representation fees for purposes other than collective bargaining, contract administration, and grievance adjustment without the consent of the employee.

The bill is effective January 1, 1999.

Fiscal Summary

State Effect: Any increase in the number of filings could be handled with existing resources of the State Board of Elections. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

Bill Summary: The bill requires an employer to provide a consent form explaining rights to: (1) each new employee within 10 days of employment; and (2) each employee within 10 days of entering into a service agreement with an employee organization. The bill also requires an employee organization to provide an independently audited description of the ratio of fees paid by an employee for the purposes of collective bargaining, contract administration, grievance adjustment, and any political or other purpose along with the written authorization and consent form. Failure to provide this information would prohibit an

employer from making payroll deductions for dues and require the refund of any fees collected without prior written authorization. Employee organizations that are authorized to collect and spend a portion of the representation fees for political purposes are required to file a copy of the consent form with the State Board of Elections at the same time that is required for political committees to file statements by law.

Information Source(s): State Board of Elections; Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - March 1, 1998
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