

HOUSE BILL REPORT

ESB 6713

As Reported by House Committee On:
State Government

Title: An act relating to voluntary payroll deductions.

Brief Description: Making voluntary payroll deductions.

Sponsors: Senators Jacobsen and Prentice.

Brief History:

Committee Activity:

State Government: 2/26/02, 3/1/02 [DP].

Brief Summary of Engrossed Bill

- Removes the requirement that employee requests to withhold or divert wages for political contributions be renewed every 12 months.
- Employees must be notified at least annually of the prohibition on employer discrimination, and of their right to revoke the wage withholding request at any time.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: Do pass. Signed by 4 members: Representatives Romero, Chair; Miloscia, Vice Chair; McDermott and Upthegrove.

Minority Report: Without recommendation. Signed by 3 members: Representatives McMorris, Ranking Minority Member; Schindler and Schmidt.

Staff: Catherine Blinn (786-7114).

Background:

The Fair Campaign Practices Act was enacted following passage of Initiative 134 in 1992. The initiative imposed campaign contribution limits on elections for state office, further regulated independent expenditures, restricted the use of public funds for political purposes, and required public officials to report gifts received in excess of \$50.

A provision of Initiative 134 prohibits employers and labor organizations from increasing the salary of an employee with the intent that the money be used to support or oppose a political candidate, party, or committee. Employers and labor organizations are also prohibited from discriminating against an employee for supporting, opposing or contributing to a candidate, ballot proposition, political party or political committee, or for failing to do so.

Employers may not withhold or divert any portion of an employee's wage or salary for contributions to political committees except upon the written request of the employee. The request must be made on a form that informs the employee of the prohibitions against employer and labor organization discrimination. The request is valid for 12 months from the date it is made. Employers must maintain for public inspection for at least three years records of each employee request, the amounts and dates funds were withheld, and the amounts and dates funds were transferred to political committees.

Summary of Bill:

The requirement that employee requests to withhold wages be renewed every 12 months is removed. Once the request is made, it is valid until revoked, and the employee may revoke the request at any time. Employees must be notified at least annually of their right to revoke the request at any time, and that employers and labor organizations are prohibited from discriminating against employees for political activity.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect on July 1, 2002.

Testimony For: The amendments placed on the bill in the Senate were appropriate. Voluntary contributions can be terminated by the employee at any time. Many labor groups already remind employees of their rights on a regular basis.

Testimony Against: The political activity for which the contributions are used may change, and employees may not be informed of the changes. New employees can be misled as to the voluntary nature of the contributions. Employees may be confused about who to notify, or how to make the notification, when they want to terminate the contributions. The bill will give more control to unions, and represents a backwards step in the efforts towards campaign finance reform.

Testified: (In support) Diane McDaniel, Washington State Labor Council; and Linda Lanham, Machinists Union.

(Opposed) Jami Lund, Evergreen Freedom Foundation.