

1 **SHB 2540 - H AMD 0281 Failed 2-18-02**

2 By Representative \_\_\_\_

3 On page 3, after line 31, insert the following:

4 "NEW SECTION. **Sec. 3.** A new section is added to chapter 42.17  
5 RCW to read as follows:

6 (1) A labor or employee organization receiving dues deducted under  
7 chapter 41.56 RCW for employees covered under section 2 of this act  
8 must deposit all funds received in one or more identifiable deposit  
9 accounts maintained as required in subsection (4) of this section. No  
10 funds from any other source may be deposited in the account. Funds  
11 from this account may be expended for any lawful purpose, but may not  
12 be expended to make contributions to political committees or for use as  
13 political contributions, or to operate a political committee or conduct  
14 grassroots activities beyond communicating to its own membership,  
15 except on the written request of the employee as provided in RCW  
16 42.17.680.

17 (2) All expenditures for political activities by a labor or  
18 employee organization subject to this section must be drawn from a  
19 deposit account designated as a political activity account and  
20 maintained as required under subsection (4) of this section.

21 (3) A labor or employee organization shall:

22 (a) Maintain complete records of all funds deposited into a  
23 deposit account subject to this section and provide the public  
24 disclosure commission an annual itemized report of all income to the  
25 accounts. The report must contain, at a minimum, the name of each  
26 person or entity from whom funds have been received into the account  
27 and each employee whose wages or salary was subject to deduction as  
28 part of the funds received; and

29 (b) Maintain complete records of expenditures from the deposit  
30 accounts subject to this section and provide the public disclosure  
31 commission with an annual report detailing all expenditures. Nominal  
32 expenditures under fifty dollars coming within identifiable categories,  
33 such as office expenses, may be aggregated as a single expense item in  
34 the annual report. Expenditure items should contain sufficient detail  
35 to identify the purpose and recipient of each expenditure.

1 (4) Each deposit account subject to this section must be a deposit  
2 account in a financial institution authorized by federal or state law  
3 to do business in Washington.

4 (5) A labor organization or employee organization must notify  
5 bargaining unit employees of the intended use of funds expended from  
6 deposit accounts subject to this section.

7 (6) The public disclosure commission may adopt such rules as are  
8 necessary to implement this section.

9 (7) A person or entity who violates any provision of this section  
10 is liable to the person from whose wages or salary the funds were  
11 deducted for three times the amount deducted or one thousand dollars,  
12 whichever is greater, and for costs and such reasonable attorney's fees  
13 as may be allowed by the court."

14 Renumber the sections consecutively and correct the title.

**EFFECT:** Employee organizations receiving dues or representation fees deducted by the University of Washington from the wages of student employees in the bargaining unit must deposit the funds in identifiable deposit accounts. Funds may not be expended from these accounts to make contributions to political committees, for use as political contributions, or to operate a political committee or grassroots activities, beyond communicating with its own members, unless there is written request of the employee. Expenditures for political activities must be drawn from a designated political activity account. Employee organizations must keep records of the funds deposited and provide reports to the Public Disclosure Commission. Employees must be notified of the intended use of funds withdrawn. Persons who violate these requirements are liable to employees from whom dues were deducted for three times the amount of the deduction or \$1,000, whichever is greater, and for costs and attorneys' fees.