

**SENATE BILL NO. 2434**

Introduced by

Senators Christenson, Bercier, Polovitz

Representatives Ekstrom, Fairfield, Winrich

1 A BILL for an Act to provide for union organization limitations on employer use of state funds.

2 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

3 **SECTION 1. Private employer use of state funds - Union organizing - Civil**  
4 **penalty.**

5 1. A private employer that receives state funds related to the employer's participation  
6 in a state program which are in excess of ten thousand dollars in any calendar year  
7 and a public employer that receives state funds:

8 a. May not use any of those funds to assist, promote, or deter union organizing,  
9 including expending any expense such as legal and consulting fees and  
10 salaries of supervisors and employees which are incurred in researching for,  
11 preparing for, planning for, coordinating of, or carrying out an activity to assist,  
12 promote, or deter union organizing;

13 b. Shall provide certification to the state that none of the state funds will be used  
14 to assist, promote, or deter union organizing; and

15 c. Shall maintain records sufficient to show that state funds were not used for  
16 the prohibited activities if the employer makes any expenditures to assist,  
17 promote, or deter union organizing.

18 2. An employer subject to this section shall provide to the labor commissioner, upon  
19 request, any records required to be maintained under this section.

20 3. Under this section, for purposes of recording expenditures if state funds and other  
21 funds are commingled, any expenditures to assist, promote, or deter union  
22 organizing are to be allocated between state funds and other funds on a pro rata  
23 basis.

- 1           4.   An employer subject to this section is liable to the state for any funds expended in  
2               violation of this section and is subject to a civil penalty equal to twice the amount of  
3               the funds expended in violation of this section. The labor commissioner may bring  
4               a civil action for injunctive relief, damages, civil penalties, and other appropriate  
5               relief for violation of this section.
- 6           5.   This section does not prohibit an activity performed or an expense incurred by an  
7               employer in connection with:
  - 8               a.   Addressing a grievance or negotiating or administering a collective bargaining  
9                   agreement;
  - 10              b.   Allowing a labor organization or the organization's representative access to  
11                 the employer's facilities or property;
  - 12              c.   Performing an activity required by federal or state law or by a collective  
13                 bargaining agreement; or
  - 14              d.   Negotiating, entering, or carrying out a voluntary recognition agreement with a  
15                 labor organization.