

1 **DRAFT The Financial Accountability for Public Employee Unions Act**

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3 **Summary**

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5 This Act increases transparency and accountability to taxpayers by requiring public employee
6 unions to annually file an independent audit of all expenditures attributed to the costs of
7 collective bargaining, contract administration and grievance adjustment.
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9 **Model Legislation**

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11 **{Title, enacting clause, etc.}**

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13 **Section 1. {Definitions}** For the purposes of this Act:

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15 (A) “Exclusive bargaining representative” refers to an individual who serves as a
16 representative of a labor organization.
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18 (B) “Public employee” means any individual employed by any state or local government,
19 government agency, government instrumentality, special district, joint powers authority,
20 school board or special purpose organization that employs one or more persons in any
21 capacity.
22
23 (C) “Collective bargaining” refers to the performance of the mutual obligation of the
24 representatives of the public employer and the labor organization designated as an
25 exclusive bargaining representative to meet and bargain in good faith in an effort to reach
26 written agreement with respect to wages, hours, and terms and conditions of employment.
27
28 (D) “Contract administration” refers to the administrative activities associated with handling
29 contracts, including but not limited to invitations to bid, bid evaluations, award of
30 contracts, contract implementation, measurement of work completed and computation of
31 payments. It also includes addressing problems related to contract relationships, making
32 necessary or important changes in the contract and interactively engaging the contractor
33 to achieve the contract’s objectives.
34
35 (E) “Grievance adjustment” refers to the process by which a dispute between a public
36 employee, or group of public employees, and an employer over an act, omission or
37 occurrence which a public employee feels constitutes an injustice related to any condition
38 arising out of employment is resolved.
39
40 (F) “Commission” refers to the state labor board, or any body that oversees labor relations in
41 the state.
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43 **Section 2. {Financial Reporting Requirement}**

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45 (A) By [insert date here] of each year, each exclusive bargaining representative that
46 represents public employees in this state shall file with the commission an independent

47 audit of all expenditures attributed to the costs of collective bargaining, contract
48 administration, and grievance adjustment during the prior calendar year.
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50 **Section 3. {Publically Available Audits}**

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52 (A) The commission shall make the audits available to the public on the commission's
53 website.
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55 **Section 4. {Appropriations}**

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57 (A) For fiscal year 201X-201X, \$ [insert sum here] is appropriated to the commission for the
58 costs of implementing this Subsection.
59

60 **Section 5. {Severability Clause}**

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62 **Section 6. {Repealer Clause}**

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64 **Section 7. {Effective Date}**



COMMON CAUSE
Holding Power Accountable