

March 2, 2017

The Honorable Les Mason, Chairperson
House Committee on Commerce, Labor and Economic Development
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Mason:

SUBJECT: Fiscal Note for HB 2354 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2354 is respectfully submitted to your committee.

HB 2354 would specify that collective bargaining negotiations between an employer and a labor organization would include whether a fair share fee would be charged to employees who are not members of the labor organization. If a collective bargaining agreement provides for a fair share fee, a fair share fee may apply to any employee who chooses not to join a labor organization that is the exclusive bargaining representative of the employee's bargaining unit under applicable federal law. The fair share fee would be an amount equal to the percentage of the labor organization's regular dues and initiation fees used to defray the costs and expenses incurred by the labor organization in fulfilling a legal duty to act as the exclusive collective bargaining representative for all employees in the non-member employee's bargaining unit and that would be reasonably expended in negotiating with the employer for wages, benefits, working conditions, grievances, and arbitration rights.

The failure of a non-member employee to pay the fair share fee would exclude the employee from any and all benefits of the collective bargaining agreement, with the exception of conditions related to workplace safety. HB 2354 specifies that the Secretary of Labor could adopt rules and regulations as necessary to implement the bill.

According to the Kansas Department of Labor, enactment of HB 2354 would have no fiscal effect.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Dawn Palmberg, Department of Labor