

REFERENCE TITLE: political subdivisions; funds; unions

State of Arizona  
Senate  
Forty-eighth Legislature  
First Regular Session  
2007

## **SB 1494**

Introduced by  
Senator Burton Cahill; Representative Ableser; Senators Arzberger, Hale,  
Rios; Representative Schapira

AN ACT

AMENDING TITLE 23, CHAPTER 8, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 7;  
RELATING TO LABOR RELATIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 23, chapter 8, Arizona Revised Statutes, is amended  
3 by adding article 7, to read:

4 ARTICLE 7. ARIZONA POLITICAL SUBDIVISIONS

5 23-1421. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "ASSIST, PROMOTE OR DETER UNION ORGANIZING" MEANS ANY ATTEMPT BY AN  
8 EMPLOYER TO INFLUENCE THE DECISION OF ITS EMPLOYEES IN A POLITICAL  
9 SUBDIVISION OR ITS SUBCONTRACTORS REGARDING EITHER OF THE FOLLOWING:

10 (a) WHETHER TO SUPPORT OR OPPOSE A LABOR ORGANIZATION THAT REPRESENTS  
11 OR SEEKS TO REPRESENT THOSE EMPLOYEES.

12 (b) WHETHER TO BECOME A MEMBER OF ANY LABOR ORGANIZATION.

13 2. "CONTRACTOR" MEANS ANY EMPLOYER THAT RECEIVES FUNDS FROM A  
14 POLITICAL SUBDIVISION FOR SUPPLYING GOODS OR SERVICES PURSUANT TO A WRITTEN  
15 CONTRACT WITH THE POLITICAL SUBDIVISION OR ANY OF ITS AGENCIES.

16 3. "EMPLOYER" MEANS ANY INDIVIDUAL, CORPORATION, UNINCORPORATED  
17 ASSOCIATION, PARTNERSHIP, GOVERNMENT AGENCY OR BODY OR OTHER LEGAL ENTITY  
18 THAT EMPLOYS MORE THAN ONE PERSON IN A POLITICAL SUBDIVISION.

19 4. "FUNDS" MEANS ANY MONIES DRAWN FROM THE POLITICAL SUBDIVISION'S  
20 TREASURY OR ANY SPECIAL OR TRUST FUND OF THE POLITICAL SUBDIVISION. FUNDS  
21 INCLUDES ANY MONIES THAT ARE APPROPRIATED BY THE POLITICAL SUBDIVISION AND  
22 TRANSFERRED TO ANY PUBLIC AGENCY, INCLUDING A SPECIAL DISTRICT, AND THAT ARE  
23 USED BY THE PUBLIC AGENCY TO FUND IN WHOLE OR IN PART A SERVICE CONTRACT IN  
24 EXCESS OF TWO HUNDRED FIFTY THOUSAND DOLLARS.

25 5. "POLITICAL SUBDIVISION" MEANS A POLITICAL SUBDIVISION OF THIS  
26 STATE.

27 6. "PROPERTY" MEANS ANY PROPERTY OR FACILITY OWNED OR LEASED BY A  
28 POLITICAL SUBDIVISION.

29 23-1422. Political subdivision contracts; funds

30 A. A POLITICAL SUBDIVISION SHALL NOT USE FUNDS TO REIMBURSE  
31 CONTRACTORS FOR ANY COSTS INCURRED TO ASSIST, PROMOTE OR DETER UNION  
32 ORGANIZING. IF REQUESTING REIMBURSEMENT FROM A POLITICAL SUBDIVISION, A  
33 CONTRACTOR SHALL INCLUDE A CERTIFICATION THAT THE CONTRACTOR IS NOT SEEKING  
34 REIMBURSEMENT FOR COSTS INCURRED TO ASSIST, PROMOTE OR DETER UNION  
35 ORGANIZING. A CONTRACTOR THAT INCURS COSTS TO ASSIST, PROMOTE OR DETER UNION  
36 ORGANIZING SHALL MAINTAIN RECORDS SUFFICIENT TO SHOW THAT NO REIMBURSEMENT  
37 FROM POLITICAL SUBDIVISION FUNDS HAS BEEN SOUGHT FOR THOSE COSTS. THE  
38 CONTRACTOR SHALL PROVIDE THOSE RECORDS TO THE ATTORNEY GENERAL ON REQUEST.

39 B. THIS SECTION DOES NOT APPLY TO A FIXED PRICE CONTRACT OR TO ANY  
40 OTHER ARRANGEMENT BY WHICH THE AMOUNT OF THE PAYMENT OF FUNDS FROM A  
41 POLITICAL SUBDIVISION DOES NOT DEPEND ON THE COSTS INCURRED BY THE  
42 CONTRACTOR.

43 C. FOR THE PURPOSES OF THIS SECTION, EACH CONTRACTOR THAT RECEIVES  
44 FUNDS FROM A POLITICAL SUBDIVISION SHALL ACCOUNT FOR THOSE FUNDS AS FOLLOWS:

1           1. THE FUNDS DESIGNATED BY THE GRANTOR FOR USE FOR A SPECIFIC  
2 EXPENDITURE OF THE RECIPIENT SHALL BE ACCOUNTED FOR AS ALLOCATED TO THAT  
3 EXPENDITURE.

4           2. ANY FUNDS THAT ARE NOT DESIGNATED SHALL BE ALLOCATED ON A PRO RATA  
5 BASIS TO ALL EXPENDITURES BY THE RECIPIENT THAT SUPPORT THE PROGRAM FOR WHICH  
6 THE GRANT IS MADE.

7           23-1423. Political subdivision contractors; unions

8           A CONTRACTOR OF A POLITICAL SUBDIVISION SHALL NOT ASSIST, PROMOTE OR  
9 DETER UNION ORGANIZING BY EMPLOYEES WHO ARE PERFORMING WORK ON A SERVICE  
10 CONTRACT, INCLUDING A PUBLIC WORKS CONTRACT, FOR THE POLITICAL SUBDIVISION.

11           23-1424. Political subdivision contractors; property; meetings

12           AN EMPLOYER CONDUCTING BUSINESS ON THE PROPERTY OF A POLITICAL  
13 SUBDIVISION PURSUANT TO A CONTRACT OR CONCESSION AGREEMENT WITH THE POLITICAL  
14 SUBDIVISION SHALL NOT USE THE PROPERTY TO HOLD A MEETING WITH ANY EMPLOYEES  
15 OR SUPERVISORS IF THE PURPOSE OF THE MEETING IS TO ASSIST, PROMOTE OR DETER  
16 UNION ORGANIZING. THIS SECTION DOES NOT APPLY IF THE PROPERTY IS EQUALLY  
17 AVAILABLE, WITHOUT CHARGE, TO THE GENERAL PUBLIC FOR HOLDING MEETINGS.

18           23-1425. Public employers; union organizing; prohibition

19           A. A PUBLIC EMPLOYER WHO RECEIVES FUNDS FROM A POLITICAL SUBDIVISION  
20 SHALL NOT USE ANY OF THOSE FUNDS TO ASSIST, PROMOTE OR DETER UNION  
21 ORGANIZING.

22           B. ANY PUBLIC OFFICIAL WHO KNOWINGLY AUTHORIZES THE USE OF FUNDS IN  
23 VIOLATION OF SUBSECTION A IS LIABLE TO THE POLITICAL SUBDIVISION FOR THE  
24 AMOUNT OF THOSE FUNDS.

25           23-1426. Private employers; union organizing; prohibition

26           A PRIVATE EMPLOYER WHO RECEIVES FUNDS FROM A POLITICAL SUBDIVISION THAT  
27 EXCEED TEN THOUSAND DOLLARS IN ANY CALENDAR YEAR ON ACCOUNT OF ITS  
28 PARTICIPATION IN A POLITICAL SUBDIVISION PROGRAM SHALL NOT USE ANY OF THOSE  
29 FUNDS TO ASSIST, PROMOTE OR DETER UNION ORGANIZING.