



General Assembly

January Session, 2015

**Raised Bill No. 986**

LCO No. 3778



Referred to Committee on LABOR AND PUBLIC EMPLOYEES

Introduced by:  
(LAB)

***AN ACT REQUIRING EMPLOYERS TO ENTER INTO PROPRIETARY INTEREST PROTECTION AGREEMENTS PRIOR TO RECEIVING FINANCIAL ASSISTANCE FROM THE STATE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2015*) (a) As used in this  
2 section:

3 (1) "Employer" means any individual or sole proprietorship,  
4 partnership, firm, corporation, trust, limited liability company, limited  
5 liability partnership, joint stock company, joint venture, association or  
6 other legal entity through which business for profit or not-for-profit is  
7 conducted that employs twenty-five or more employees in the state.  
8 Employer shall not include any municipal employer, as defined in  
9 subdivision (1) of section 7-467 of the general statutes;

10 (2) "State assistance" means any grant, loan, loan guarantee, tax  
11 benefit or contract, or combination thereof, that is made or awarded to  
12 an employer from the state or a state agent in an amount greater than  
13 one hundred thousand dollars and that shall be realized in a calendar

14 year;

15 (3) "Labor organization" means any organization that exists and is  
16 constituted for the purpose, in whole or in part, of collective  
17 bargaining or of dealing with employers concerning grievances, terms  
18 or conditions of employment, or of other mutual aid or protection in  
19 connection with employment and currently represents employees in  
20 the state;

21 (4) "Proprietary interest protection agreement" means an agreement  
22 between an employer and a labor organization whereby the employer,  
23 labor organization and the labor organization's members agree to  
24 refrain from engaging in activities that may result in conflict or  
25 disruption of the employer's operations;

26 (5) "State" means the state of Connecticut, its executive and judicial  
27 branches, including without limitation, any board, department,  
28 commission, institution or agency of such branches or appropriate unit  
29 thereof and any board of trustees of a state-owned or supported  
30 college or university and branches thereof, public and quasi-public  
31 state corporation or authority established by state law; and

32 (6) "State agent" means any state official, state employee or other  
33 person authorized to enter into a contract or agreement or issue a grant  
34 on behalf of the state.

35 (b) Notwithstanding any provision of the general statutes, on and  
36 after January 1, 2016, any employer that receives state assistance shall  
37 provide the state or state agent that awarded such assistance written  
38 confirmation that the employer has taken reasonable steps to avoid  
39 any labor conflict in the use of such state assistance. Such written  
40 confirmation shall include documentation that the employer has:

41 (1) If employees are represented by a labor organization, entered  
42 into a valid and binding collective bargaining agreement covering the  
43 terms and conditions of employment for all of its nonsupervisory

44 employees that are responsible for executing any project funded in  
45 whole or in part through such state assistance;

46 (2) If the employees are represented by a labor organization, entered  
47 into a proprietary interest protection agreement covering the duration  
48 of the project funded in whole or in part through such state assistance.  
49 Such proprietary interest protection agreement shall include, but not  
50 be limited to, the following:

51 (A) Employee preferences regarding whether to join or be  
52 represented by a labor organization for collective bargaining purposes,  
53 and if so, the identity of such labor organization. Any decision to be  
54 represented by a labor organization pursuant to this subparagraph  
55 shall be determined based on signed authorization cards in a card  
56 check procedure conducted by a neutral third party in lieu of a formal  
57 election;

58 (B) An agreement that the employer and the labor organization shall  
59 refrain from the use of intimidation, reprisal, threats of reprisal or  
60 other conduct intended to coerce or otherwise influence employees in  
61 their decision whether to join or be represented by any labor  
62 organization; and

63 (C) An agreement that the labor organization and its members shall  
64 refrain from engaging in any activity that may disrupt or interfere with  
65 the employer's operations, including, but not limited to, strikes,  
66 boycotts, work stoppages or picketing provided the employer  
67 complies with the terms of the proprietary interest protection  
68 agreement.

69 (c) The state or state agent that issues, reviews or approves any state  
70 assistance shall, prior to awarding such state assistance to an  
71 employer, notify such employer of the provisions of subsection (b) of  
72 this section.

73 (d) Nothing in this section shall require an employer to recognize a

74 particular labor organization as the exclusive bargaining agent as a  
75 prerequisite of receiving state assistance.

76 (e) If an employer violates any provision of this section, the state or  
77 state agent that awarded such state assistance may modify or  
78 terminate the terms of the state assistance awarded to the employer.

79 (f) Any employer that knowingly or wilfully violates any provision  
80 of this section shall be disqualified from receiving any state assistance  
81 from the state or any state agent for not less than one year from the  
82 date such violation is discovered.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	New section

**Statement of Purpose:**

To require employers who receive financial assistance of one hundred thousand dollars or more from the state or state agent to enter into preliminary agreements with labor organizations as a condition of receiving such financial assistance.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*