

AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 874

Introduced by Assembly Member Williams

February 22, 2013

An act to ~~amend Section 16645 of the Government Code~~ *add Section 468 to the Public Utilities Code*, relating to ~~state funds~~ *union organizing*.

LEGISLATIVE COUNSEL'S DIGEST

AB 874, as amended, Williams. ~~State funds:—Public utilities: unionization.~~

The California Constitution establishes the Public Utilities Commission (PUC), with regulatory jurisdiction over all public utilities, as defined. Existing law authorizes the PUC to fix the rates and charges for every public utility, and requires that those rates and charges be just and reasonable. Existing law requires that any expense resulting from a bonus paid to an executive officer, as defined, of a public utility that has ceased to pay its debts in the ordinary course of business, be borne by the shareholders of the public utility and prohibits any expense from being recovered in rates.

This bill would require that any expense incurred by a public utility in assisting or deterring union organizing, as defined, is not recoverable either directly or indirectly in the utility's rates and is required to be borne exclusively by the shareholders of the public utility.

Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

Because the provisions of this bill are within the act and require action by the commission to implement its requirements, a violation of

these provisions would impose a state-mandated local program by creating a new crime.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~Existing law prohibits a grant recipient, state contractor, public employer, or private employer who receives state funds and meets other requirements from using state funds to assist, promote, or deter union organizing.~~

~~This bill would make technical, nonsubstantive changes to these provisions:~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 468 is added to the Public Utilities Code,
- 2 to read:
- 3 468. (a) For purposes of this section, “expense incurred by a
- 4 public utility in assisting or deterring union organizing” means
- 5 costs incurred in communicating with employees, or employees of
- 6 the utility’s contractors, in an effort to persuade them to join or
- 7 support, or to not join or support, a labor organization.
- 8 (b) Any expense incurred by a public utility in assisting or
- 9 detering union organizing shall not be recoverable either directly
- 10 or indirectly in the utility’s rates and shall be borne exclusively
- 11 by the shareholders of the public utility.
- 12 SEC. 2. No reimbursement is required by this act pursuant to
- 13 Section 6 of Article XIII B of the California Constitution because
- 14 the only costs that may be incurred by a local agency or school
- 15 district will be incurred because this act creates a new crime or
- 16 infraction, eliminates a crime or infraction, or changes the penalty
- 17 for a crime or infraction, within the meaning of Section 17556 of
- 18 the Government Code, or changes the definition of a crime within
- 19 the meaning of Section 6 of Article XIII B of the California
- 20 Constitution.

1 SECTION 1. Section 16645 of the Government Code is amended
2 to read:

3 16645. For purposes of this chapter, the following definitions
4 shall apply:

5 (a) ~~“Assist, promote, or deter union organizing” means any~~
6 ~~attempt by an employer to influence the decision of its employees~~
7 ~~in this state or those of its subcontractors regarding either of the~~
8 ~~following:~~

9 ~~(1) Whether to support or oppose a labor organization that~~
10 ~~represents or seeks to represent those employees.~~

11 ~~(2) Whether to become a member of any labor organization.~~

12 (b) ~~“Employer” means any individual, corporation,~~
13 ~~unincorporated association, partnership, government agency or~~
14 ~~body, or other legal entity that employs more than one person in~~
15 ~~the state.~~

16 (c) ~~“State contractor” means any employer that receives state~~
17 ~~funds for supplying goods or services pursuant to a written contract~~
18 ~~with the state or any of its agencies. “State contractor” includes~~
19 ~~an employer that receives state funds pursuant to a contract~~
20 ~~specified in paragraph (2) of subdivision (d). For purposes of this~~
21 ~~chapter, the contract shall be deemed to be a contract with a state~~
22 ~~agency.~~

23 (d) (1) ~~“State funds” means any money drawn from the State~~
24 ~~Treasury or any special or trust fund of the state.~~

25 (2) ~~“State funds” includes any money appropriated by the state~~
26 ~~and transferred to any public agency, including a special district,~~
27 ~~that is used by the public agency to fund, in whole or in part, a~~
28 ~~service contract in excess of two hundred fifty thousand dollars~~
29 ~~(\$250,000).~~

30 (e) ~~“State property” means any property or facility owned or~~
31 ~~leased by the state or any state agency.~~