

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6320
BILL NUMBER: HB 1097

NOTE PREPARED: Dec 1, 2012
BILL AMENDED:

SUBJECT: Right to Work.

FIRST AUTHOR: Rep. Kersey
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill repeals the Right to Work law.

Effective Date: Upon passage.

Explanation of State Expenditures: Ongoing costs for the Department of Labor and the Office of the Attorney General may decrease if the agencies are no longer required to investigate complaints of violations or enforce compliance if a violation of the statute is found.

Background Information: Current law (Right to Work) makes it a Class A misdemeanor for an employer, labor organization or any other person to require an individual to become or remain a member of a labor organization, or pay dues, fees or assessments (or charitable donation substitutes) as a condition of employment, new or continued.

The Right to Work law includes a private right of action that can be brought by the individual in civil court, and it provides for an administrative remedy by the Indiana Department of Labor. Finally, violations of the law are criminal acts, thereby giving prosecutors discretion to charge people or organizations criminally for violations.

The law does not apply to existing collective bargaining agreements, and it does not prohibit exclusive pre-hire agreements with labor unions in the building and construction trades.

As of November 29, 2012, no violations of the statute have been proven nor have any criminal actions or private right of actions been filed for violation of the statute.

Explanation of State Revenues: The repeal of the statute eliminates the potential for revenue associated with the collection of court fines and fees from any related court actions. There have been no court fee or court fine revenues generated from the statute to date.

Explanation of Local Expenditures: Costs for county prosecuting attorneys may decrease if the prosecuting attorneys no longer investigate complaints of violations or enforce compliance if a violation of the statute is found.

Explanation of Local Revenues: Local governments will no longer potentially receive court fee revenue associated with Right to Work court actions. There have been no court fee or court fine revenues generated from the statute to date.

State Agencies Affected: Indiana Department of Labor; Indiana Office of the Attorney General.

Local Agencies Affected: Trial courts and local law enforcement agencies.

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