GOVERNOR OF MISSOURI

JEFFERSON CITY

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TO THE SECRETARY OF STATE OF THE STATE OF MISSOURI

Herewith I return to you Senate Committee Substitute for House Committee Substitute for House Bill Nos. 116 & 569 entitled:

AN ACT:

To amend chapter 290, RSMo, by adding thereto one new section relating to labor organizations, with penalty provisions.

I disapprove of Senate Committee Substitute for House Committee Substitute for House Bill Nos. 116 & 569. My reasons for disapproval are as follows:

Senate Committee Substitute for House Committee Substitute for House Bill Nos. 116 & 569 (House Bill No. 116) is a so-called "right to work" law that would prohibit employers from requiring the payment of "any dues, fees, assessments, or other similar charges however denominated of any kind or amount to a labor organization" as a condition of employment or continued employment. It would also prohibit employers from conditioning employment or continued employment on an employee or applicant becoming or "refrain[ing] from becoming a member of a labor organization."

The "right to work" moniker is a misnomer. Right to work laws create a less skilled workforce, drive down wages and directly interfere with a business owner's right to contract. House Bill No. 116 takes this ill-advised policy one step further by also subjecting employers and others to state criminal prosecution and unlimited civil liability. House Bill No. 116 is wrong for workers, wrong for business owners and wrong for Missouri.

There are three specific reasons for my veto.

I. House Bill No. 116 Is Bad for Our Economy

House Bill No. 116 is misguided legislation designed to undermine labor organizations that produce highly skilled workers for Missouri employers. This attack on working Missourians would stunt economic growth by reducing workforce training opportunities and driving down wages. For generations, the right to collectively bargain has yielded benefits for all workers. Labor organizations, through training, apprenticeships and other programs - paid for by their members - play a valuable role by providing the skilled workers that businesses need to compete in the global economy. House Bill No. 116 would curb the ability of labor organizations to make

these critical investments. Here in Missouri, we have seen the benefits of a skilled workforce, where large employers with organized workers have added thousands of jobs and made massive capital investments. Talented, union-trained workers are a key asset in attracting such investments and creating good paying jobs. House Bill No. 116 would thwart this momentum by reducing training resources which will, in turn, result in fewer skilled workers for our businesses and create a more difficult environment for employers and labor organizations to expand our economy.

House Bill No. 116 would also drive down wages for all workers, regardless of whether such workers are members of a labor organization. On average, workers in so-called "right to work" states make considerably less per year than workers in non-right to work states. Paying workers less, whether members of labor organizations or not, and giving them fewer opportunities to learn the skills necessary to succeed, will not move our state forward.

II. House Bill No. 116 Constitutes Unwarranted Governmental Interference Into the Operations of Missouri Businesses

House Bill No. 116 constitutes unwarranted governmental interference into Missouri businesses. Currently, the only way that union membership or dues payment are required as a condition of employment is if an employer agrees to that condition. Absent the *employer's* agreement, there can be no such condition. Accordingly, at its core, a so-called "right to work" law is a government-mandated prohibition directed against an *employer's* right to contract. Through this governmental interference, House Bill No. 116 would take away the rights of an *employer* to decide for itself how to run *its* business. This attack on the freedom and autonomy of Missouri employers cannot become the law of this state.

III. House Bill No. 116 Exposes Businesses to Criminal Prosecution and Unlimited Civil Liability

House Bill No. 116 would subject employers to state criminal prosecution and unlimited civil liability for using labor organization membership as a condition of employment. These penalty provisions were added in a Senate committee after the bill had initially passed the House. Not only would this new crime and new liability ensnare businesses that desire to require their employees be union members, it would also authorize sanctions against businesses that attempt to condition employment on an employee "refraining" from becoming a member of a labor organization.

House Bill No. 116 would create a broad new crime, a class C misdemeanor, for any person who "directly or indirectly violates" the provisions of the bill. It would give each of the 115 local prosecuting attorneys and the attorney general sweeping authority to launch investigations into complaints of "violation or threatened violation" of its provisions, and to use "all means at their command" to enforce compliance. It is not infrequent during labor organizing campaigns, for example, for disputes to arise over an employer's hiring and firing decisions, i.e., conditions or continuation of employment, allegedly made on the basis of support for the labor organization. Under the terms of House Bill No. 116, such allegations could expose an employer to criminal prosecution. The bill would also criminalize a bargained for agreement that includes a union security clause that an employer is now free to make under current law.

On the civil side, House Bill No. 116 would expose business owners to lawsuits seeking "any and all damages of any character" that result from a "violation" or "threatened violation" of its provisions. This government overreach, enforced with the threat of criminal prosecution and civil damages, would inject new uncertainty into the operations of Missouri businesses without any positive impact on our economy.

IV. Conclusion

Missouri's greatest assets are its highly skilled, well-trained workers. These Missourians produce goods and services that are consumed around the world. Their efforts and talents allow our companies to expand while also attracting new businesses to locate or move to the Show Me State. They are our relatives and our neighbors. They are the backbone of our economy.

House Bill No. 116 would represent a significant step backwards for Missouri. It would reduce wages, limit training opportunities, undermine business owners' autonomy, and expose employers and others to the threat of state criminal prosecution and unlimited civil liability. This is not a path Missouri should follow. I stand with the workers of Missouri and reject this wrongheaded legislation that will hurt our economy, our families and our businesses.

In accordance with the above stated reasons for disapproval, I am returning Senate Committee Substitute for House Committee Substitute for House Bill Nos. 116 & 569 without my approval.

Respectfully submitted,

Jeremiah W. (Jay) Nixon
Governor