



# Congress of the United States

## House of Representatives

COMMITTEES:  
COMMITTEE ON RULES

COMMITTEE ON  
EDUCATION AND THE WORKFORCE

SUBCOMMITTEES:  
RANKING MEMBER  
HEALTH, EMPLOYMENT, LABOR,  
AND PENSIONS

HIGHER EDUCATION

COMMITTEE ON  
NATURAL RESOURCES

STEERING AND POLICY  
PARLIAMENTARIAN

### The Giving Workers a Fair Shot Act

The Giving Workers a Fair Shot Act enhances labor laws, so we can provide workers a fair shot at obtaining a good job with livable wages, and have higher standards for employers. It achieves these objectives through six parts: (1) empowering shareholders to hold executives accountable, (2) preventing labor busting, (3) removing barriers to collective bargaining agreements, (4) enhancing criminal penalties for labor violations, (5) ensuring that employees are classified correctly, and (6) increasing employer transparency.

#### **1. Shareholder Empowerment and Executive Responsibility:**

Not all executives have the long-term vitality of the company as a top priority, and by consequence, workers fall by the wayside. While executive compensation should be commensurate with experience and used to attract the best talent, it needs to be determined by the shareholders, not a select few who sit on the board. The Giving Workers A Fair Shot Act will ensure stable and extended growth, guiding companies and their leaders. It does this through the following:

- Prohibits the CEO and Chairman at Publicly Traded Companies from being the same person, except at "Small Capitalization Companies."
- Expands insider-trading restrictions on stock trades, tips, etc. for executives to one full year after they leave a company, and prohibits executives from selling more than 25 percent of their stock of the company – for one year - after they leave the company, and at least three months before they leave the company.
- Current "Say on Pay," statute and regulations require companies to host a shareholder vote on executive pay. This regulation does not make the vote binding. To make this vote binding, this legislation will mandate a system of repeat votes until approval is adopted.

#### **2. Prevent Taxpayer Dollars for "Labor Busting":**

When a company receives taxpayer funds from the federal government, they should be required to play by a set of rules that promotes workers' rights and corporate responsibility. One way to safeguard taxpayer dollars against corporate irresponsibility is to make sure no taxpayer funds are used for union avoidance costs (union busting). Union busting can include everything from hiring attorneys to time spent planning and implementing activities that discourage union formation and growth (i.e. firing individuals, lockouts, mandatory meetings, and threats deterring them from joining or forming a union).

This legislation codifies President Obama's 2009 "Economy in Government Contracting" Executive Order, which prevents federal contractors from seeking reimbursement of expenditures associated with persuader activities such as union avoidance costs and expenses.

#### **3. Collective Bargaining Agreements:**

After a group of workers organizes and votes for a union, the biggest impediment for new unions is reaching a collective bargaining agreement. It is common for employers to drag their feet on a first contract for months -- if

not years -- in order to avoid being bound by a labor contract. This represents one of the greatest obstructions in workers' ability to negotiate fair wages and a safe working environment.

This legislation would give either the union or the employer the option to seek mediation under the Federal Mediation and Conciliation Service after 90 days if they feel one party is not responding adequately. If this mediation is unsuccessful after 30 days, the Federal Mediation and Conciliation Service will refer the issue to binding arbitration for a decision.

#### 4. Criminal Penalties & Adequate Labor Law Punishment:

Existing labor law penalties for underpaying or overworking employees, or putting them in harm's way are weak and are generally considered "a cost of doing business."

This legislation will increase the punishments for any executive or individual who knows or should have known about a violation of five critical labor laws. The legislation increases the criminal and civil penalties to felonies for violations of the following:

- **Fair Labor Standards Act (FLSA)** - covers Overtime and Minimum Wage standards
- **Occupational Safety and Health Act (OSHA)** - addresses workplace safety standards
- **National Labor Relations Act (NLRA)** - addresses collective bargaining rights for workers
- **Mine Safety and Health Administration Act (MSHA)** - addresses workplace safety for mines
- **Migrant and Seasonal Agriculture Worker Protection Act (MSPA)** - addresses wages and housing for migrant and seasonal workers

#### 5. The Re-Empowerment of Skilled and Professional Employees and Construction Tradeworkers (RESPECT) Act:

Employers often use gerrymandering (adding or removing groups or types of employees that are less likely to vote for or against a union) of collective bargaining units to make it more difficult for unions to be formed and certified. This gerrymandering can take multiple forms, but often it is done by identifying certain workers as "supervisors," even though they have no true supervision duties. This is done because generally supervisors are unable to join or form a union.

This legislation would change the National Labor Relations Act's (NLRA) definition of a "supervisor," with a new definition that would reduce the number of employees who qualify as "supervisor." This change in classification will produce an increase in the number of employees who are eligible to join a union and collective bargaining unit.

#### 6. Employer Transparency:

Federal law does not require employers to provide pay stubs with their paychecks. This creates countless problems including wage theft; lack of information for the employee; lack of transparency at the workplace; and no paper trail for deductions, paid leave, minimum wage, overtime, etc. This legislation will allow workers to fight back against wage theft and pay discrimination by giving them the information they need and deserve, requiring employers to give paystubs.

Under this legislation paystubs must include: What exactly is being deducted from an employee's paycheck (social security, benefits, etc.), the employee's pay broken down hourly (regardless of whether they are a salary or hourly employee) including overtime, and any provided and available leave

Any employer who does not provide a paystub at all may be fined up to \$1,000 per day. A person may be fined \$100 per day for failing to provide a document that contains all of the required information.