

# SENATE BILL NO. 905

February 24, 2022, Introduced by Senators BRINKS, ALEXANDER, HOLLIER, HERTEL, GEISS, BAYER, CHANG, BULLOCK, MOSS, MCMORROW, POLEHANKI, WOJNO, IRWIN and MCCANN and referred to the Committee on Government Operations.

A bill to amend 1978 PA 368, entitled  
"Public health code,"

(MCL 333.1101 to 333.25211) by adding section 20176b.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           **Sec. 20176b. (1) A health facility or agency that receives**  
2           **state money shall not use any state money to interfere with or**  
3           **discourage unionization by its employees or the employees of any**  
4           **other health facility or agency. This section does not limit the**  
5           **right of a health facility or agency to engage in lawful activities**

1 relating to the negotiation and enforcement of a collective  
2 bargaining agreement.

3 (2) A health facility or agency that receives state money  
4 shall maintain accurate and complete records of all expenditures of  
5 that state money. The records must be sufficient to demonstrate  
6 whether state money has been expended to interfere with or  
7 discourage unionization. If the state designates state money for a  
8 specific use or expenditure, the health facility or agency shall  
9 account for the specific use or expenditure. If the state does not  
10 designate state money for a specific use or expenditure, the health  
11 facility or agency shall allocate the money on a pro rata basis to  
12 all expenditures of the health facility or agency that are related  
13 to the purpose for which the state money is received.

14 (3) A health facility or agency subject to the record-keeping  
15 requirements of subsection (2) shall prepare and submit to the  
16 department 4 times per calendar year a quarterly report that  
17 specifies each expenditure of state money. The health facility or  
18 agency shall file each report within 30 days after the end of each  
19 calendar quarter.

20 (4) On its own initiative or in response to a complaint that  
21 the department determines credible, the department may at any time  
22 audit the records of a health facility or agency to ensure  
23 compliance with this section.

24 (5) After an audit under subsection (4), the department shall  
25 determine if that health facility or agency has failed or refused  
26 to do any of the following:

27 (a) Comply with the record-keeping requirements of this  
28 section.

29 (b) Comply with the reporting requirements of this section.

1 (c) Provide the department with access to its records for an  
2 audit under this section.

3 (6) A health facility or agency that authorizes an expenditure  
4 of state money in violation of this section may be subject to civil  
5 liability as provided in this section. The attorney general or a  
6 person may, on behalf of this state, bring a civil action in a  
7 court of competent jurisdiction to recover the full value of the  
8 state money that was expended in violation of this section. The  
9 damages collected under this section must be deposited in the  
10 general fund. The court may award court costs and other expenses of  
11 litigation including attorney fees to a party who successfully  
12 brings an action under this section or to a person who successfully  
13 defends against an action under this section that the court  
14 determines is frivolous. A health facility or agency adjudicated to  
15 have violated this section is ineligible to receive state money for  
16 a period of 3 years after the date the judgment against the health  
17 facility or agency is entered.

18 (7) As used in this section:

19 (a) "Interfere with or discourage unionization" includes, but  
20 is not limited to, all of the following:

21 (i) A communication in any form that advocates, directly or by  
22 implication, that an employee should vote against unionization.

23 (ii) Hiring or consulting persons to advise on means to deter  
24 unionization or impede a labor organization that represents  
25 employees from fulfilling its representation responsibilities.

26 (iii) Holding meetings to influence employees to refrain from  
27 unionizing.

28 (iv) Planning or engaging in employee-supervisor activities to  
29 deter the lawful activities of a labor organization.

1           (b) "Person" means an individual, partnership, corporation,  
2 association, governmental entity, or other legal entity.

3           (c) "Receive state money" means to acquire state money in any  
4 form, including a grant, payment under contract, reimbursement, or  
5 other direct payment, and includes a subcontractor's receipt of  
6 payment for performance of any portion of a contract funded with  
7 state money.

8           (d) "State money" means any money drawn from the state  
9 treasury or other fund of the state, and any state resources,  
10 including a good or service or the value of a good or service, that  
11 is provided to a person.

12           (e) "Unionization" means the organization of employees for the  
13 purpose of collective bargaining.

14           (f) "Use any state money" means expenditure of state money by  
15 a person who receives state money. The expenditure may be for any  
16 purpose, including operating expenses, supplies, maintenance,  
17 utilities, capital facilities, or equipment.