

# **Teamwork for Employees and Managers (TEAM) Act of 2022**

**Rep. Jim Banks (R-IN) | Sen. Marco Rubio (R-FL)**

## *Section-by-Section*

### **Sec. 2 Employer Exception**

This section provides that the establishment of an employee involvement organization (EIO) does not constitute an unfair labor practice under the National Labor Relations Act (NLRA) and that an EIO shall not be considered a “labor organization” under that Act.

An employee involvement organization is a *voluntarily* created organization comprised of an employer and a group of their employees for the purpose of discussing matters of mutual interest, such as quality of work, productivity, efficiency, compensation, benefits (including education and training), and accommodation of religious belief and practices. EIOs are not unions and cannot enter into collective bargaining agreements. They serve as an alternative to employee unionization and are dissolvable by the employer.

### **Sec. 3 Definitions**

This section provides definitions for key terms in the bill.

### **Sec. 4 Requirements for Employee Involvement Organizations at Large Employers**

This section offers parameters for establishing and maintaining EIOs that apply only when an EIO is formed at a large employer, which is defined as a business with over \$1 billion in annual gross revenues and with more than 3,000 employees. A number of parameters would be waivable, while others would not.

Non-waivable:

- EIOs must have rules on how employees may join or leave and a process for EIO dissolution.
- For EIOs that have been certified for at least 5 consecutive years, large employers may only dissolve the EIO based on the independent business judgement of the board of directors or substantial equivalent.
- An employer must allow an employee representative elected by employees of an EIO to attend as a nonvoting member of either or both of the board of directors or workforce committee of the board of directors of the employer. The employee representative must receive the same access to information on matters relevant to the EIO as that of any other director.

- The election of an employee representative of an EIO must be conducted through secret ballot, by employees who are U.S. citizens or reside primarily in the U.S., and may not be funded through sources other than the EIO, such as a labor union.
- EIO representatives must be employees participating in the EIO, employed by the employer, U.S. citizens or reside primarily in the U.S., and employed with the employer for at least 5 years unless the company has not operated for that length of time. EIO representatives cannot be members of management or be recently employed in a position related to human resources.

Waivable:

- This section provides a default cooling-off period of 2 years after either a failed unionization election or the successful dissolution of a union before the establishment of an EIO.
- Employers may be allowed to provide funding toward an election of an employee representative of EIO.
- An election of an employee representative of an EIO should occur contemporaneously with the election of the board of directors of the large employer.

### **Sec. 5 Safe Harbor for Violation of Rules Due to the Fault of an Employee**

This section ensures if the rules of an EIO are violated by an employee, an employer shall not be treated as having committed an unfair labor practice.

### **Sec. 6 Limitations**

This section clarifies that this Act shall not affect the rights provided by the National Labor Relations Act to labor organizations. The section also makes clear that the rights and responsibilities of employees shall not be affected except for provisions in section 2 and section 5 of this Act.

### **Sec. 7 Enforcement**

This section ensures that the National Labor Relations Board shall have no enforcement authority with respect to EIOs. All matters would be handled by Article III or state courts instead.