



1995 ASSEMBLY BILL 64

January 26, 1995 - Introduced by Representatives BALDUS, MUSSER, PLOMBON, WILDER, GRONEMUS, HUBER, VANDER LOOP, RYBA, BALDWIN, SPRINGER, HASENOHRL, ROBSON, MORRIS-TATUM, NOTESTEIN, R. YOUNG, PLACHE, BELL, BLACK, R. POTTER and CARPENTER, cosponsored by Senators DECKER, CHVALA, WINEKE, CLAUSING, MOEN, MOORE, BURKE and BRESKE. Referred to Committee on Judiciary.

1 **AN ACT to create** 59.51 (22) and 779.32 of the statutes; **relating to:** labor
2 concession liens.

Analysis by the Legislative Reference Bureau

This bill establishes a labor concession lien. (A lien is a charge against property to secure a debt.) Under the bill, an employer and a union may agree to permit the union to receive a labor concession lien against the property of the employer at the employment site at which the employees work if the union makes wage or benefits concessions in order to secure future anticipated benefits.

If the benefits anticipated are not received, the union may enforce the lien, up to the value of the concessions. The lien may be enforced against personal property in the same manner that security interests are enforced under the uniform commercial code or enforced against real property in the same manner in which construction liens are enforced.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 59.51 (22) of the statutes is created to read:
4 59.51 (22) File and index labor concession liens under s. 779.32.
5 **SECTION 2.** 779.32 of the statutes is created to read:
6 **779.32 Labor concession lien.** (1) DEFINITIONS. In this section:
7 (a) "Concession" means a contractual reduction in wages or benefits.

1 (b) "Employment site" means one or more facilities at which employees who are
2 covered by an agreement between an employer and a union work.

3 (2) LIEN EXISTENCE. If agreed to by an employer and a union in a collective
4 bargaining agreement or other contract, a union that grants a concession in
5 anticipation of future benefits shall have a labor concession lien, on behalf of its
6 members covered by the agreement, upon the property of the employer at the
7 employment site for the value of the concession. The parties shall, by agreement,
8 determine the nature and value of anticipated future benefits and the value of the
9 concession.

10 (3) ATTACHMENT AND PERFECTION. (a) A labor concession lien attaches on the
11 effective date of the agreement between the employer and union that acknowledges
12 the lien.

13 (b) A labor concession lien is perfected when the union files a notice of lien in
14 the office of the register of deeds for the county in which the employment site is
15 located. A notice of lien shall include all of the following information:

- 16 1. The name of the employer.
- 17 2. The name of the union.
- 18 3. A legal description of the employment site that is subject to the lien and a
19 description of personal property that is subject to the lien.
- 20 4. The conditions under which the lien may be released.

21 (4) NOTICE. A person has notice of the existence of a labor concession lien if the
22 person knows or has reason to know that an employer has entered into an agreement
23 with a union.

24 (5) CONTINUATION. A labor concession lien continues until the union releases
25 it or the conditions under which the lien may be released are satisfied.

