COALITION FOR A DEMOCRATIC WORKPLACE

July 27, 2011 Member of Congress:

On behalf of the Coalition for a Democratic Workplace and the undersigned member organizations, who represent millions of job creators concerned with increasing threats to the basic tenets of free enterprise, we write urging you to support H.R. 2587, the Protecting Jobs from Government Interference Act.

The Coalition for a Democratic Workplace, a group of more than 600 organizations, has been united in its opposition to the so-called "Employee Free Choice Act" (EFCA) and EFCA alternatives that pose a similar threat to workers, businesses and the U.S. economy. Thanks to the elected officials who stood firm against this damaging legislation, the threat of EFCA is less immediate in this Congress. Politically powerful labor unions, other EFCA supporters, and their allies in government are not backing down, however. Having failed to achieve their goals through legislation, they are now coordinating with the National Labor Relations Board (NLRB or Board) and the Department of Labor (DOL) in what appears to be an all-out attack on business.

One of the most egregious actions by the NLRB, which is also the impetus of the Protecting Jobs from Government Interference Act, is the unprecedented attempt by the agency's Acting General Counsel to mandate where and how one company—Boeing—can operate and expand its business. The federal government must not be allowed to tell business where it can or cannot create jobs. We view this threat to one employer as a key test for the business environment of all employers.

The Protecting Jobs from Government Interference Act addresses this action by the NLRB and would guarantee that businesses and entrepreneurs have the ability to decide where to conduct their business. The Protecting Jobs from Government Interference Act will encourage investment in our nation and its workforce.

Unfortunately, the NLRB's actions against Boeing are just the tip of the iceberg. The NLRB and DOL are pushing three initiatives that together would effectively implement the goals of EFCA, by promoting unionization at the expense of an employee's right to make an informed choice about union representation.

On June 21, the Board proposed a rule on "ambush elections." Under the proposed rule, the NLRB would conduct representation elections in as few as 10 days after the union files a petition, as opposed to the current median of 38 days between petition and election. The reduced time frame would leave employers barely enough time to secure legal counsel, with little to no

opportunity to talk with employees about union representation or respond to promises union organizers may have made to secure union support, even though many of those promises may be completely unrealistic.

A day earlier, on June 20, DOL released it proposed "gag rule." The proposal would reverse 50 years of established law and require employers to disclose an otherwise confidential agreement when a consultant, lawyer, association or seminar presenter provides the business with materials used for communication with employees about unions, such as policies or prepared speeches, or revises drafts of such documents written by company management. This would be the case even if the consultant, lawyer, association or seminar presenter never actually interacts with the employees. Failure to report or filing false or incomplete reports could result in civil and criminal penalties. The disclosure requirements are intrusive and designed to intimidate businesses, particularly small businesses, from relying on counsel or other consultants to assist in communicating with employees about unions.

Lastly, one case pending before the NLRB that may have a particularly negative impact on the economy is *Specialty Healthcare*. In that case, the NLRB is considering reversing decades of established law and allowing "micro-unions." This would make it easier for unions to organize by permitting them to form smaller bargaining units that often exclude those similarly situated employees who oppose unionization, effectively disenfranchising them. Under current law, bargaining units must include employees that share a community of interest. Smaller units are only permissible where the employees in the proposed unit have interests that are "*sufficiently distinct* from those of other employees to warrant the establishment of a separate unit." This prevents proliferation of small "fractured units."

If the NLRB decides in *Specialty Healthcare* to permit micro-unions and fractured units, businesses would be required to manage multiple small units of similarly situated employees with increased chances of work stoppages, and potentially different pay scales, benefits, work rules and bargaining schedules. This would greatly limit an employer's ability to cross train and meet customer and client demands via lean, flexible staffing as employees could not perform work assigned to another units. Employees also would suffer from reduced job opportunities as promotions and transfers would be hindered by organizational unit barriers. The potential negative impact of the *Specialty Healthcare* case to workers, businesses and our economy is dramatic and almost certain to drive many small employers out of business.

Again, we urge you to support the Protecting Jobs from Government Interference Act and to use every tool available to stop these rogue agencies from implementing policies to appease a single special interest at the expense of workers, businesses and our economy. If left unchecked, the NLRB's and DOL's actions will fuel economic uncertainty and have serious negative ramifications for millions of employers, U.S. workers they have hired or would like to hire, and consumers.

The Coalition for a Democratic Workplace

and

National Organizations (98):

60 Plus Association Aeronautical Repair Station Association Agricultural Retailers Association Air Conditioning Contractors of America American Apparel & Footwear Association (AAFA) American Bakers Association American Concrete Pressure Pipe Association American Fire Sprinkler Association American Foundry Society American Frozen Food Institute American Hotel and Lodging Association American International Automobile Dealers Association American Meat Institute American Pipeline Contractors Association American Rental Association American Seniors Housing Association American Supply Association American Trucking Associations American Wholesale Marketers Association AMT - The Association For Manufacturing Technology Asian American Hotel Owners Association Assisted Living Federation of America Associated Builders and Contractors, Inc. Associated Equipment Distributors Associated General Contractors of America Association of Equipment Manufacturers Automotive Aftermarket Industry Association **Brick Industry Association** Building Owners and Managers Association International **Cement Employers Association** Center for the Defense of Free Enterprise Action Fund **Coalition of Franchisee Associations** College and University Professional Association for Human Resources **Consumer Electronics Association** Custom Electronic Design & Installation Association Elkhorn Holdings, Inc.

Environmental Industry Associations Equipment Marketing & Distribution Association Federation of American Hospitals Food Marketing Institute Forging Industry Association Heating, Airconditioning & Refrigeration Distributors International (HARDI) INDA, Association of the Nonwoven Fabrics Industry Independent Electrical Contractors Independent Women's Voice Industrial Fasteners Institute Interlocking Concrete Pavement Institute International Association of Refrigerated Warehouses International Council of Shopping Centers International Foodservice Distribution Association International Franchise Association International Warehouse Logistics Association LIBERTY ASHES INC. Metals Service Center Institute Modular Building Institute Motor & Equipment Manufacturers Association National Association of Chemical Distributors National Association of Electrical Distributors National Association of Manufacturers National Association of Mutual Insurance Companies National Association of Wholesaler-Distributors National Club Association National Council of Chain Restaurants National Council of Farmer Cooperatives National Council of Textile Organizations National Federation of Independent Business National Franchisee Association National Grocers Association National Mining Association National Precast Concrete Association National Ready Mixed Concrete Association

National Retail Federation National Roofing Contractors Association National School Transportation Association National Small Business Association National Solid Wastes Management Association National Systems Contractors Association National Tooling and Machining Association North American Die Casting Association North American Equipment Dealers Association NUCA Representing Utility and Excavation Contractors Precision Machined Products Association Precision Metalforming Association Printing Industries of America **Real Estate Roundtable** Retail Industry Leaders Association **Snack Food Association** Society for Human Resource Management Society of American Florists SPI: The Plastics Industry Trade Association Steel Manufacturers Association Textile Rental Services Association The Real Estate Roundtable Timken Company Truck Renting and Leasing Association United Motorcoach Association (UMA) United States Chamber of Commerce Waste Equipment Technology Association

State and Local Organizations (128):

American Rental Association of Connecticut American Rental Association of Massachusetts Arkansas State Chamber of Commerce/Associated Industries of Arkansas Associated Builders and Contractors, Inc. California Chapter Associated Builders and Contractors, Inc. Central Ohio Chapter Associated Builders and Contractors, Inc. Central Pennsylvania Chapter Associated Builders and Contractors, Inc. Chesapeake Shores Chapter Associated Builders and Contractors, Inc. Delaware Chapter Associated Builders and Contractors, Inc. Eastern Pennsylvania Chapter Associated Builders and Contractors, Inc. Florida East Coast Chapter Associated Builders and Contractors, Inc. Hawaii Chapter Associated Builders and Contractors, Inc. Heart of America Chapter Associated Builders and Contractors, Inc. Keystone Chapter Associated Builders and Contractors, Inc. Massachusetts Chapter Associated Builders and Contractors, Inc. Michigan Chapter Associated Builders and Contractors, Inc. Mid Tennessee Chapter Associated Builders and Contractors, Inc. Nevada Chapter Associated Builders and Contractors, Inc. New Orleans/Bayou Chapter Associated Builders and Contractors, Inc. Oklahoma Chapter Associated Builders and Contractors, Inc. Pacific NW Chapter Associated Builders and Contractors, Inc. Pelican Chapter Associated Builders and Contractors, Inc. Rhode Island Chapter Associated Builders and Contractors, Inc. Rocky Mountain Chapter Associated Builders and Contractors, Inc. South Texas Chapter Associated Builders and Contractors, Inc. Southeast Texas Chapter Associated Builders and Contractors, Inc. Southern California Chapter Associated Builders and Contractors, Inc. Western Colorado Chapter Associated Builders and Contractors, Inc. Western Michigan Chapter Associated Builders and Contractors, Inc. Western Pennsylvania Chapter Associated Builders and Contractors, Inc., Florida Gulf Coast Chapter Associated Industries of Massachusetts Association of Washington Business BROADMOOR California, Nevada, Arizona Automotive Wholesalers Association Capital Associated Industries (NC) CenTex Chapter IEC Central Alabama Chapter IEC Central Indiana IEC Central Missouri IEC Central Ohio AEC/IEC Central Pennsylvania Chapter IEC Central Washington IEC

Centre County IEC Charleston Metro Chamber of Commerce Colorado Retail Council Eastern Washington Chapter, IEC El Paso Chapter IEC, Inc. **Employers Coalition of North Carolina** Fairfax County (VA) Chamber of Commerce Florida Independent Concrete & Associated Products Greater Montana IEC Greater North Dakota Chamber of Commerce Henderson Chamber of Commerce IEC Atlanta Chapter IEC Chesapeake IEC Dakotas, Inc. IEC Dallas Chapter IEC Florida West Coast IEC Fort Worth/Tarrant County IEC Georgia Chapter IEC Greater St. Louis IEC Hampton Roads Chapter IEC Kentucky and Southern Indiana IEC NCAEC IEC New England IEC of Arkansas IEC of East Texas IEC of Greater Cincinnati IEC of Idaho IEC of Illinois IEC of Kansas City IEC of Northwest Pennsylvania IEC of Oregon IEC of Southeast Missouri IEC of Texoma IEC of the Bluegrass IEC of the Texas Panhandle IEC of Utah

IEC of Washington ETF IEC Southern Arizona IEC Southern Colorado Chapter IEC Southern Indiana Chapter-Evansville IEC Texas Gulf Coast Chapter IEC Western Reserve Chapter **IECA of Arizona** IECA of Nashville IECA of Southern California, Inc. IEC-OKC, Inc. Illinois Chamber of Commerce Independent Electrical Contractors of Oregon Kansas Chamber Little Rock Regional Chamber of Commerce Lubbock Chapter IEC, Inc. Management Association of Illinois MEC IEC of Dayton Mid-Oregon Chapter IEC Mid-South Chapter IEC Midwest IEC Minnesota Grocer Association Montana Chamber of Commerce Montana IEC Nebraska Chamber of Commerce & Industry New Jersey IEC New Jersey Motor Truck Association North Carolina Chamber Northern New Mexico IEC Northern Ohio ECA NW Washington IEC Ohio Chamber of Commerce Ohio Manufacturers' Association Portland Cement Association Puget Sound Washington Chapter Rio Grande Valley IEC, Inc. Rocky Mountain Chapter IEC

San Antonio Chapter IEC, Inc. Southern New Mexico IEC Texas Hospital Association Texas State IEC The Employers Association of Charlotte NC Tri State IEC Virginia Trucking Association West Virginia Chamber West Virginia Oil Marketers and Grocers Association (OMEGA) West Virginia Trucking Association Western Carolina Industries Western Calorado IEC Western Electrical Contractors Association (WECA) Wichita Chapter IEC