

EMPLOYMENT LAWSCENE ALERT: 2014 COULD STILL DELIVER IMPORTANT DECISIONS FROM THE NLRB

Although we previously posted an article outlining that the mid-term elections could improve the landscape for employers regarding administrative agency enforcement, including the National Labor Relations Board (“NLRB”), employers may still see a significant pro-union push from the NLRB before the end of 2014.

Democratic-appointee Nancy Schiffer’s term on the NLRB ends December 16, 2014. The Obama Administration has nominated Senate Health Education and Pensions Committee chief labor counsel Lauren McFerran to take Schiffer’s place on the five-member board. However, the now Republican-controlled Senate must approve all NLRB nominations. If the Senate does not confirm McFerran, or any other proposed nominee, the NLRB could be locked in a 2-2 partisan stalemate. Therefore, many believe that the currently Democratic NLRB will try to get major changes pushed through while they are still in the majority. This could include changes to union election procedures and changes to the definition of joint-employer status.

The NLRB has proposed rule changes that would significantly change the union election process. If issued, they would shorten the period between filing of an election petition and the election itself to only seven days. If this happens, employers will have less time to inform workers of the pros and cons of unionizing. Among other changes, the new rules would also require employers to submit a “statement of position” on the election petition by the time the pre-election hearing is held and waive any issues not raised in the statement.

Also, the NLRB could expand the standard for determining joint employer status in the Browning-Ferris case. A decision from the Board on this important topic is expected soon. For the past thirty years, the NLRB has analyzed whether two or more companies are joint employers under a “degree of control” test. The Board, in its expected decision in Browning-Ferris, could change that standard to a “totality of the circumstances” standard. A broader standard from the Board in finding joint employer liability would be expected given the NLRB’s General Counsel recent decision to permit 43 unfair labor practice charges against McDonald’s, USA, LLC to move forward under a “joint employer” theory finding that McDonald’s should be held liable, along with its independently-owned franchisees, based

upon allegations that the franchisees violated workers' rights in responding to workplace protests. If the NLRB expands the definition of "joint employer," as expected, more companies that do not use direct employees could potentially face unfair labor practice charges for the conduct of other companies or could even be required to recognize and bargain with unions.

Employers should monitor the NLRB's decisions and actions through the end of the year and look for rulings that could impact them and their employees.