THEODORE ROOSEVELT AMERICAN INN OF COURT



December 14, 2015 – 5:30 p.m. to 8:30 p.m.

Nassau County Bar Association

PRESENTED BY:

Gregory S. Lisi, Esq. Paul F. Millus, Esq. Scott Druker, Esq. Alexander Leong, Esq.

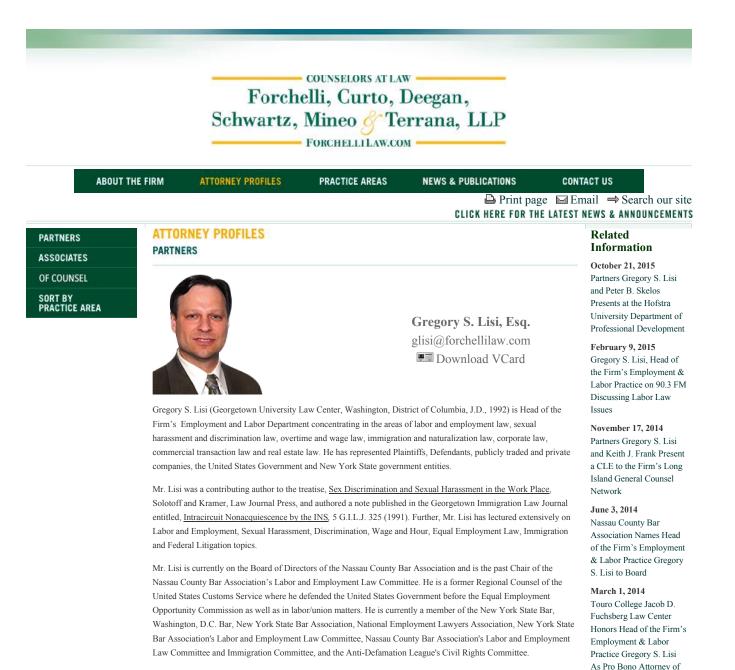
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December 14, 2015 – 5:30 p.m. to 8:30 p.m.

AGENDA

- 1. Opening Remarks 5 minutes
- 2. Overview of the NLRB 20 minutes
- 3. Gameshow and Case Discussion -75 minutes



Mr. Lisi is admitted to practice law before the courts of New York State and Washington, D.C., the United State Court of Appeals for the Second Circuit, and the federal courts of the Eastern and Southern Districts of the State of New York. Mr. Lisi has further practiced before the National Labor Relations Board, the Equal Employment Opportunity Commission, New York State and Nassau County Divisions of Human Rights, the New York City Commission on Human Rights, the Immigration and Naturalization Service, labor and corporate arbitrations and mediations and the Courts of New York City, Nassau, Suffolk and Westchester Counties.

Mr. Lisi received his Bachelors, Magna Cum Laude, from the State University of New York at Buffalo.

Practice Areas: Employment & Labor Group, Real Estate, Litigation

« Back to Partner Index

September 20, 2012 Forchelli, Curto, Deegan, Schwartz, Mineo & Terrana LLP Congratulates 9 Partners Who Have Been Chosen by their Peers as 2012 New York

the Year

March 13, 2013

Nassau Bar Association

Employment & Labor

Practice Greg Lisi Pro Bono Attorney of the

Month for March 2013

Names Head of the Firm's

February 24th, 2012 Partner Gregory S. Lisi

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Named a 2012, "Who's Who in Labor Law," by Long Island Business News

November 3, 2011 Gregory S. Lisi Profiled in Long Island Business News Newsmakers Section

October 17, 2011 Gregory S. Lisi Joins Forchelli, Curto, Deegan, Schwartz, Mineo & Terrana LLP as Head of the Employment & Labor Practice

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Practice Areas Litigation and Dispute Resolution Employment Law

Education

Creighton University School of Law J.D., 1986 Creighton University B.A., 1983 Fordham University

Memberships

Nassau County Bar Association (NCBA) Federal Courts Committee, Former Chair

NCBA Labor Employment Committee

Eastern District Association of former Assistant and Special Assistant U.S. Attorneys

American Inns of Court Executive Board, Theodore Roosevelt Chapter, President

Jacob D. Fuchsberg Touro Law Center

Admissions

New York State

New Jersey

U.S. District Court, Southern and Eastern Districts of New York

U.S. District Court of New Jersey

U.S. District Court of Minnesota

U.S. Court of Appeals, Second, Third, and Eighth Circuits

Paul F. Millus

Member of the Firm

990 Stewart Avenue Garden City, New York 11530 (516) 592-5707 pmillus@msek.com

Paul Millus is a Member to Meyer, Suozzi, English & Klein, P.C. and practices in the Litigation and Employment Law Departments located in both Meyer Suozzi's Garden City, Long Island and New York City Office. Mr. Millus has been involved in all aspects of state and federal litigation throughout his legal career handling a variety of litigated matters from inception, motion practice, trial and appeals. Mr. Millus has tried both jury and non-jury matters dealing with a wide range of issues from civil rights, commercial, constitutional, real estate, employment, tort and Surrogate's Court matters. If the matter needs to be tried before a judge or a jury in state or federal court, Mr. Millus stands ready to do so in almost any area of the law. Mr. Millus regularly provides advice to employers and employees concerning their rights and obligations in the workplace including consultation on employee handbooks, HR training, discrimination policies, FMLA, FLSA, employment contracts, wage and hour concerns and all manner of workplace issues.

Notable experience includes:

- Successfully represented multiple Long Island municipalities in upholding the constitutionality of a variety of Town Ordinances
- Obtained favorable resolutions for several corporate clients who were subjected to claims by plaintiffs who claimed that the clients' building violated the ADA
- Obtained dismissal in Federal Court by summary judgment of claims brought by teachers against the school district where they worked that their First Amendment rights of free speech had been violated by the district
- Successfully tried numerous cases to verdict in the Federal Court in the Eastern District of New York involving claims of discrimination in the workplace based on race, national origin, sex, gender and age
- After trial in Kings County, successfully obtained dismissal of claims by the Public Administrator, valued in excess of 2 million dollars, that his clients had received monies form the estate based on undue influence
- Served as the Receiver for Atlas Park shopping mall located in Glendale, New York a 377,924 sq. ft. mixed use neighborhood center

Paul F. Millus

 Obtained favorable resolution of Trademark infringement suits in Federal Court brought against national internet retailer

Mr. Millus began his litigation career as a former Special Assistant United States Attorney for the Eastern District of New York from 1987 through 1989. There he worked with elite attorneys representing the U.S. Government in commercial matters; false claims act cases, civil forfeiture to name a few. He joined the firm of Snitow & Pauley in 1989 and became a partner in Snitow & Cunningham LLP in 1998 which became known as Snitow Kanfer Holtzer & Millus LLP. Mr. Millus has represented many municipalities on Long Island including the Towns of Brookhaven, Hempstead, and North Hempstead, the City of Long Beach, and the Counties of Nassau and Suffolk trying numerous cases in state and federal courts. He continued to successfully represent municipalities throughout Long Island as a partner in addition to expanding his private client base.

Mr. Millus is rated "AV" by Martindale-Hubbell which is the highest level of professional excellence and ethics and confirms that Mr. Millus is recognized for the highest levels of skill and integrity in the practice of law. Mr. Millus has also been named as a "Super Lawyer" in the 2010, 2014 and 2015 editions of "Super Lawyers" magazine in its Corporate Counsel Edition for Top Attorneys in Employment and Labor Law.

Mr. Millus is active with various bar organizations in and around New York City and Long Island. He is the Former Chair of the Federal Courts Committee of the Nassau County Bar Association, a Master, Executive Board Member and current President of The Theodore Roosevelt American Inn of Court and a member of the Eastern District Association of former Assistant and Special Assistant U.S. Attorneys. Mr. Millus also served as an Adjunct Professor of Law at the Jacob D. Fuchsberg Touro Law Center teaching Sales. Mr. Millus has lectured on cutting edge issues affecting the Bar focusing on employment law, federal practice, trial practice and civil rights law for the Nassau County Bar Association, Lorman Continuing Legal Education, the New York City Bar Association and Theodore Roosevelt American Inn of Court.

Mr. Millus has written extensively on many aspects of the law publishing articles in the New York Law Journal, Nassau Lawyer, Suffolk Lawyer and New York State Bar Journal. Recent publications include:

- Author, "Browning–Ferris: A Potential Game Changer for the Union Movement," Nassau Lawyer, January 15, 2015
- Co-Author, ""Misclassification and the "Fluctuating Work Week": A Potential Schism in Wage and Hour Litigation," New York State Bar Association, December 30, 2014
- Author, "Executive Orders: Constitutional Underpinnings and Legality," New York Law Journal, November 18, 2014
- Co-Author, "Cannabis Conundrum: Medical Marijuana Law and Employers," New York Law Journal, August 6, 2014
- Author, "New Avenue for Payment of Medical Care: the Prompt Pay Law," *New York Law Journal*, May 8, 2014.
- Co-Author, "Social Media: Changing the Face of Employment Law," *New York Law Journal*, March 10, 2014.
- Author, "Faragher and Ellerth: Revisited 12 Years Later," *New York Law Journal*, May 9, 2013.
- Co-Author, "Court's Discretion in Changing Venue, Counsel's Obligation to Act Promptly", New York Law Journal, Vol. 245-No.: 33, February 18, 2011.
- Co-Author, "Caution on Whistleblowing: Not All Reporting Is Protected," New York Law Journal, August 23, 2010.
- Co-Author, "Getting Paid: the Interplay Between the Judiciary Law and Part 137," *New York Law Journal*, June 17, 2010.
- Author, "An Employer's Guide to the FMLA," Nassau Lawyer, October 1, 2007.

phone: (516) 746-4300 fax: (516) 742-9415 1325 Franklin Avenue, Suite 225 Garden City, New York 11530

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Scott Druker, Associate

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Admitted

New York State Bar, Southern District of New York, Eastern District of New York

Law School Touro Law School, J.D., 2006

College Bucknell University, B.A., 2002

Membership New York City and New York State Bar Associations;

American Bar Association; Theodore Roosevelt American Inn of Court.

History of Firm

Biography

Former Associate, Ivan Fisher Law Firm, 2006-2009- Worked on several high profile cases at both the state and federal levels.

Currently- Works on all levels of defense cases ranging from minor violations to major felony indictments.

Reported Cases

Matter of Vinluan v. Doyle, 60 AD3d, 237 (2d Dept., 2009).

Born

N.Y., New York, July 2, 1980

Contact Us

Kase & Druker 1325 Franklin Avenue, Suite 225 Garden City, New York 11530 (516) 746-4300 (0) (516) 742-9415 (f) Scott@kaseanddrukerlaw.com Jim@kaseanddrukerlaw.com

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She was ill – not drunk	
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Alexander is a graduate of Cornell University's School of Industrial and Labor Relations, which specializes in studies pertaining to employment and labor/management issues.

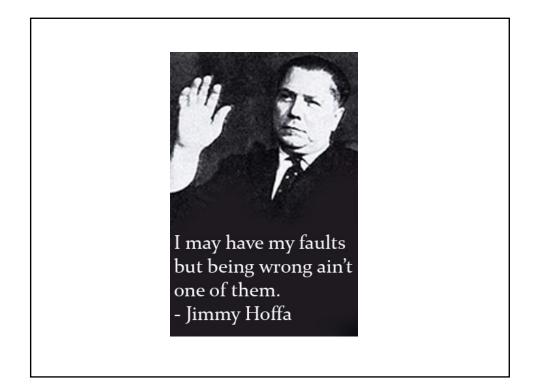
Practice Areas: Employment & Labor

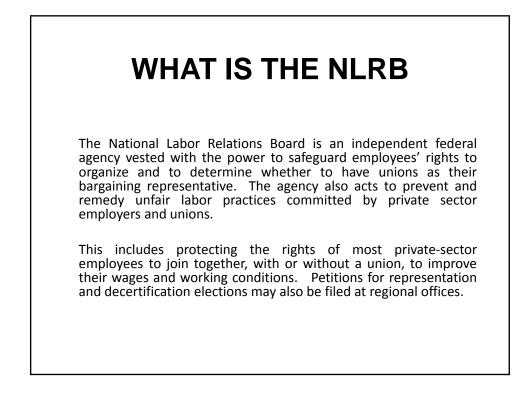
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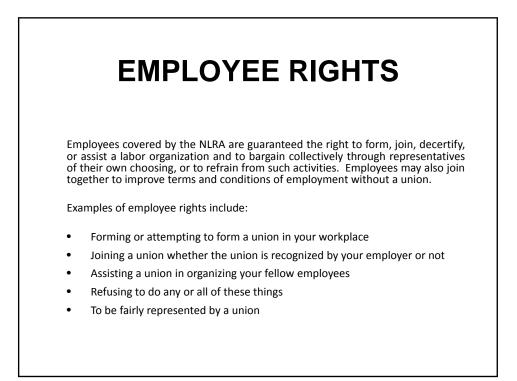
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WHAT DOES THE NLRB DO

- Conduct Elections (to create or decertify unions).
- Investigate Charges.
- Facilitate Settlements.
- Decide Cases.
- There are 40 Administrative Law Judges along with a board whose 5 members are appointed by the President and confirmed by the Senate.
- Enforce Orders -The majority of parties voluntarily comply with orders of the Board. But, when they do not, the Agency's General Counsel must seek enforcement in the U.S. Court of Appeals. Parties to cases also may seek review of unfavorable decisions in the federal courts.



BUT I DO NOT OPERATE A UNION SHOP – WHY SHOULD I CARE!

Employees who are not represented by a union also have rights under the NLRA. Specifically, the National Labor Relations Board protects the rights of employees to engage in "Concerted Activity", which is when two or more employees take action for their mutual aid or protection regarding terms and conditions of employment.

A single employee may also engage in protected activity if he or she is acting on the authority of other employees, bringing group complaints to the employer's attention, trying to induce group action, or seeking to prepare for group action.

EXAMPLES OF CONCERTED ACTIVITY ARE:

- Two or more employees addressing their employer about improving their pay.
- Two or more employees discussing work-related issues beyond pay, such as safety concerns, with each other.
- An employee speaking to an employer on behalf of one or more co-workers about improving workplace conditions.

WHO IS COVERED (Or, specifically, who *isn't*)

Most employees in the private sector are covered by the NLRA. However, the Act specifically excludes individuals who are:

- employed by Federal, state, or local government
- employed as agricultural laborers
- employed in the domestic service of any person or family in a home
- employed by a parent or spouse
- employed as an independent contractor
- employed as a supervisor (supervisors who have been discriminated against for refusing to violate the NLRA may be covered)
- employed by an employer subject to the Railway labor Act, such as railroads and airlines
- employed by any other person who is not an employer as defined in the NLRA

EMPLOYER/UNION RIGHTS AND OBLIGATIONS

Examples of employer conduct that violates the law:

- Threatening employees with loss of jobs or benefits if they join or vote for a union or engage in protected concerted activity
- Threatening to close the plant if the employees select a union to represent them.
- Questioning employees about their union sympathies or activities in circumstances that tend to interfere with, restrain or coerce employees in the exercise of their rights under the Act.
- · Promising benefits to employees to discourage their union support
- Transferring, laying off, terminating, assigning employees more difficult work tasks, or punishing employees because they engaged in union or protected concerted activity or because they filed unfair labor practice charges, or participated in an investigation conducted by the NLRB

EXAMPLES OF LABOR ORGANIZATION CONDUCT THAT VIOLATES THE LAW

- Threats to employees that they will lose their jobs unless they support the union
- Seeking the suspension, discharge or other punishment of an employee for not being a union member even if the employee has paid or offered to pay a lawful initiation fee and periodic fees thereafter.
- Refusing to process a grievance because an employee has criticized union officials or because an employee is not a member of the union in states where union security clauses are not permitted
- Fining employees who have validly resigned from the union for engaging in protected concerted activities following their resignation or for crossing an unlawful picket line
- Engaging in picket line misconduct, such as threatening, assaulting, or barring non-strikers from the employer's premises
- Striking over issues unrelated to employment terms and conditions or coercively enmeshing neutrals into a labor dispute

RULES GOVERNING COLLECTIVE BARGAINING ROOM

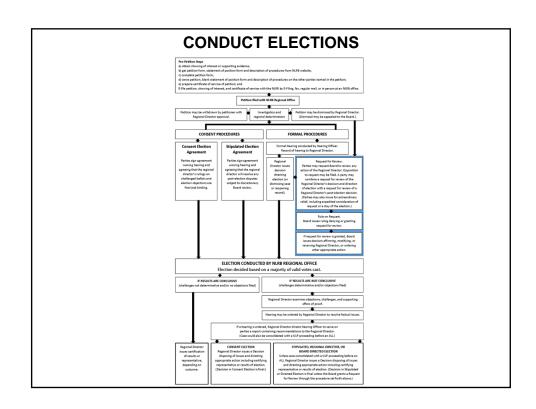
After employees choose a union as a bargaining representative, the employer and union are required to meet at reasonable times to bargain in good faith about wages, hours, vacation time, insurance, safety practices and other mandatory subjects. Parties are required to bargain with each other in good faith, but they will not be compelled to reach an agreement or to make concessions.

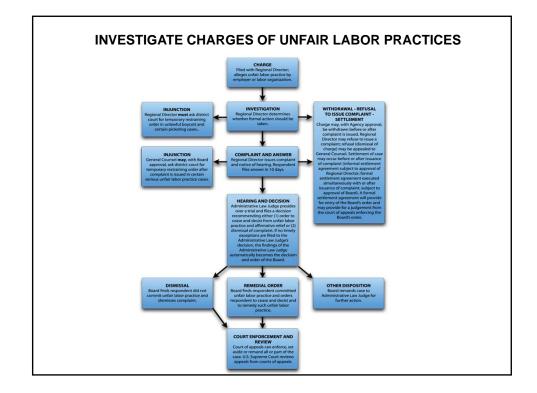
If no agreement can be reached, the employer may declare an impasse and then implement the last offer presented to the union. The NLRB will determine whether a true impasse was reached based on the history of negotiations and the understandings of both parties.

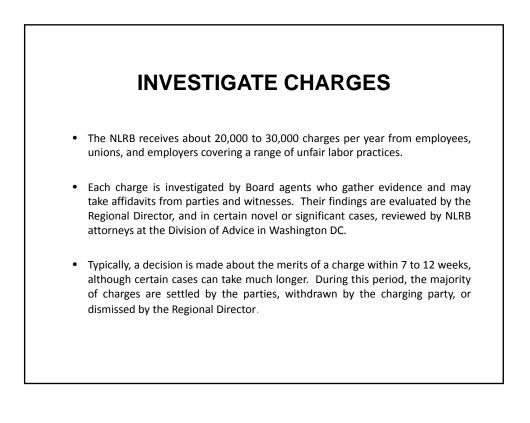
JURISDICTIONAL STANDARDS

The Board has statutory jurisdiction over private sector employers whose activity in interstate commerce exceeds a minimal level. Over the years, it has established standards for asserting jurisdiction.

Generally, the Board's jurisdiction is very broad and covers the great majority of non-governmental employers with a workplace in the United States, including non-profits, employee-owned businesses, labor organizations, non-union businesses, and businesses in states with "Right to Work" laws.







INVESTIGATE CHARGES

- When sufficient evidence is found to support the charge, every effort is made to facilitate a settlement between the parties. If no settlement is reached in a meritorious case, the agency issues a complaint.
- Common allegations against employers include threats, interrogations and unlawful disciplinary actions against employees for their union activity; promises of benefits to discourage unionization; and, in the context of collective bargaining relationships, refusals to provide information, refusals to bargain, and withdrawals of recognition.
- Common allegations against unions include failure to represent an employee and failure to bargain in good faith.

HEARING BEFORE THE NLRB

The issuance of a complaint leads to a hearing before an NLRB Administrative Law Judge. After issuing a complaint, the NLRB becomes a representative for the charging party throughout settlement discussions and the Board process. Board attorneys help gather and prepare materials, and keep parties apprised of case developments.

It is illegal for an employer or union to retaliate against employees for filing charges or participating in NLRB investigations or proceedings.

REMEDIES

Under its statute, the NLRB cannot assess penalties. The agency may seek make-whole remedies, such as reinstatement and back pay for discharged workers, and informational remedies, such as the posting of a notice by the employer promising to not violate the law.

TEMPORARY INJUNCTIONS

While the case proceeds through the Board process, the Regional Director may petition the appropriate U.S. District Court for temporary injunction orders to restore the status quo where rights have been violated, under Section 10(j) of the Act. The General Counsel must first approve the petition and the Board must authorize it. If granted by the Court, and injunction may, among other things, require a party to return to bargaining, or reinstate unlawfully discharged employees, or stop the unlawful subcontracting of union jobs.

OFFICE OF APPEALS

Decisions to dismiss a charge may be appealed to the Office of Appeals in Washington DC within two weeks of the dismissal. The Office handles about 2,000 cases a year. Each appeal is assigned to an attorney and a supervisor for review of all documents in the case, including new information submitted by the charging party. All cases in which it is proposed to reverses the Regional Director's determination are presented to the General Counsel for decision.

Significant cases may be presented for General Counsel review even where the recommendation is to uphold the Regional determination.

Because such decisions are not reviewable in court, there is no further recourse for parties who believe that a charge has been unfairly dismissed.

FACILITATE SETTLEMENTS

The NLRB encourages parties to resolve cases by settlement rather than litigation whenever possible. In fact, more than 90% of meritorious unfair labor practice cases are settled by agreement at some point in the process, either through a Board settlement or a private agreement.

DECIDE CASES

When complaints of Unfair Labor Practices issued by regional directors do not lead to settlement, they typically result in a hearing before an NLRB Administrative Law Judge. As in any court proceeding, both parties prepare arguments and present evidence, witnesses, and experts. After evaluating the evidence, the judges issue initial decisions. ALJ decisions are subject to review by the Board in Washington DC. Any party may appeal by filing exceptions.

In considering an appeal, the Board reviews the case record, including all documents presented by the regional investigation. Often a panel of three Board members will decide a case, but the full Board usually considers novel or potentially precedent changing cases. The Board issues several hundred decisions per year. Board decisions may be appealed to an appropriate U.S. Court of Appeals, and ultimately the U.S. Supreme Court.

ENFORCE ORDERS

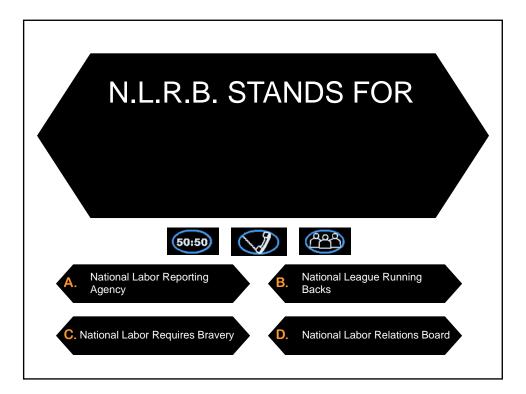
In reviewing cases, the Circuit Courts evaluate the factual and legal basis for the Board's Order and decide, after briefing or oral argument, whether to enter a judicial decree commanding obedience to the Order. The Court may also enter an Order on the grounds that the responding party failed to oppose or had no legal basis to oppose the Board's action.

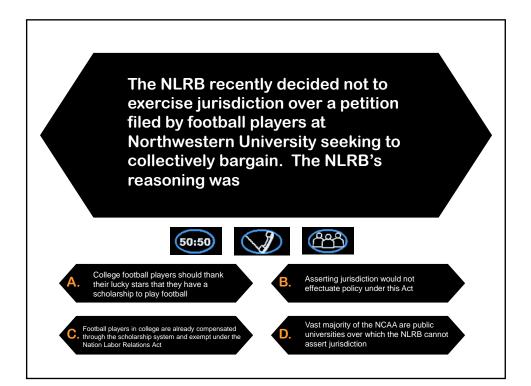
In recent years, Circuit Courts have decided about 65 cases a year involving the NLRB. The majority – nearly 80% - have been decided in the Board's favor.

FINAL REVIEW BY THE U.S. SUPREME COURT

Any Circuit Court decision can be subject to final review by the US Supreme Court, if the parties or the Board seek it. Before presenting a petition asking the high court to consider a case, or grant certiorari, the Board must first receive permission for the US Solicitor General.

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Northwestern University and College Athletes Players Association (CAPA), Case 13-RC-121359 August 17, 2015

<u>Relief Sought</u>: Northwestern Players requested that the Board find that they are employees within the meaning of Section 2(3) of the National Labor Relations Act (NLRA) and to direct an election in a unit of players who received grant and aid scholarships.

<u>Regional Directors' Decision</u>: Found that the grant and aid scholarship players are employees within the meaning of Section 2(3) and directed an election.

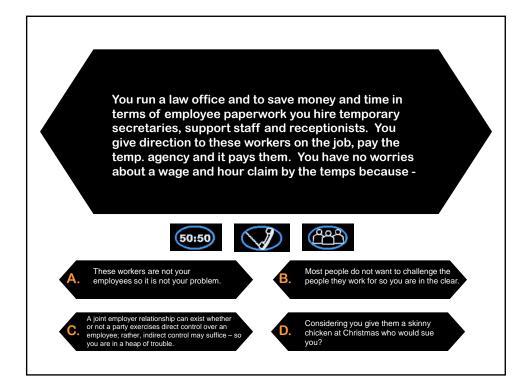
Board Holding: Upholding the Regional Director's Decision would not "effectuate the policies of the Act to assert jurisdiction in this case." The Board further stated that "asserting jurisdiction in this case would not serve to promote stability in labor relations" while limiting the decision to grant in aid scholarship players covered by the Petition in the particular case.

• In other words, the Board "punted."

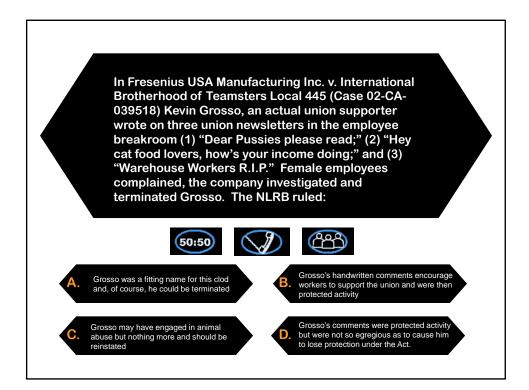
Northwestern University and College Athletes Players Association (CAPA), Case 13-RC-121359 August 17, 2015

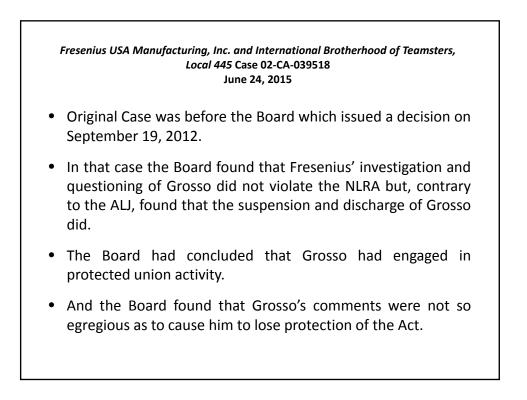
The Board's final note is telling:

The Board's decision not to assert jurisdiction does not preclude a reconsideration of this issue in the future. For example, if the circumstances for Northwestern's players or NCAA Division I football bowl subdivision football changes such that the underpinnings of our conclusions regarding jurisdiction warrant reassessment the Board may revisit its policy in this area.



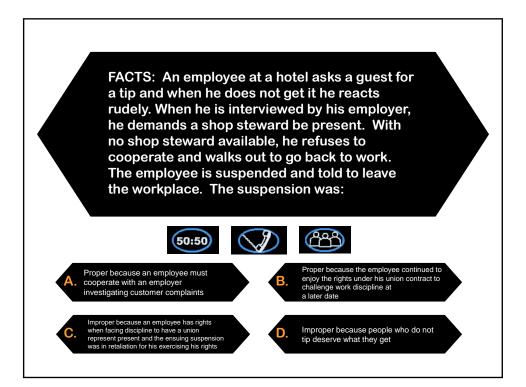
Browning-Ferris Industries of California, Inc. 362 NLRB No. 186 (Aug. 27, 2015). In the past, employers receiving services through temp agencies were not responsible for agency workers' organization, collective bargaining, and other NLRB-based rights unless the employers exercised "direct and immediate" control over their working terms and conditions. the NLRB has now concluded that "indirect control" is enough to gualify for joint-employer status - and thus share unfair labor practice liability and bargaining obligations – upending decades of established law. The NLRB concluded that "the Board's [current] joint-employment ٠ jurisprudence [was] increasingly out of step with changing economic circumstances," referencing the increasing tendency of employers to subcontract out work in order to avoid organization and potential employment issues. The NLRB therefore held that a joint-employer relationship can exist whether or not a party exercises "direct" control over an employee; rather, "indirect control" may suffice.





Fresenius USA Manufacturing, Inc. and International Brotherhood of Teamsters, Local 445 Case 02-CA-039518 (June 24, 2015)

- The employer filed a petition for review in the United States Court of Appeals for the D.C. Circuit. Based on the decision in *NLRB v. Noel Canning*, 134 S.Ct. 2550 (2014) which held that the challenge appointments to the Board were not valid, the D.C. Circuit vacated the Board's decision and order and remanded the case for further proceedings.
- The Board affirmed its earlier decision since Grosso's handwritten statements constituted a protected activity and, thus, were afforded protection under the Act, and they were the motivating factor for his suspension and discharge, the suspension and discharged could not stand.

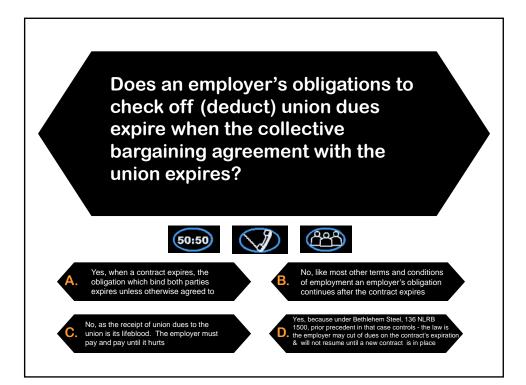


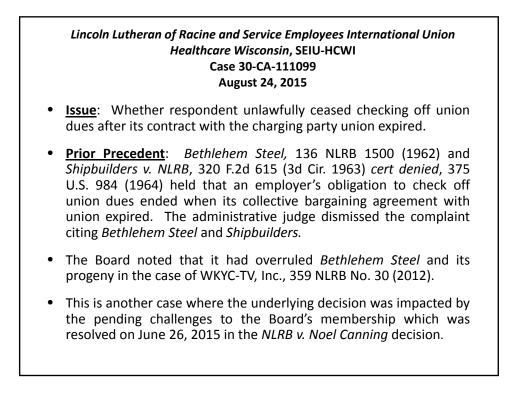
Bellagio, LLC and Gabor Garner and Najia Zaidi Cases 28-CA-106634 and 28-CA-107374 August 24, 2015

Facts: Garner was the bellman of the Bellagio hotel. On May 12, 2013 a guest filed a complaint that Garner had acted inappropriately and in an attempt to coax a tip and then reacted rudely when the guest withheld the tip. He was brought to the front services supervisor's office where he was questioned about the incident. At the beginning of the meeting he asked if he could be disciplined. When told that that was a possibility he asked for a representative permitted under the decision by the U.S. Supreme Court in *NLRB v. Jay Weingarten*, 420 U.S. 251 (1975). A shop steward could not be found and Garner was directed to fill out a statement describing his interaction with the customer. He refused to do so and returned to work. He was then instructed to leave the building.

Bellagio, LLC and Gabor Garner and Najia Zaidi Cases 28-CA-106634 and 28-CA-107374 August 24, 2015

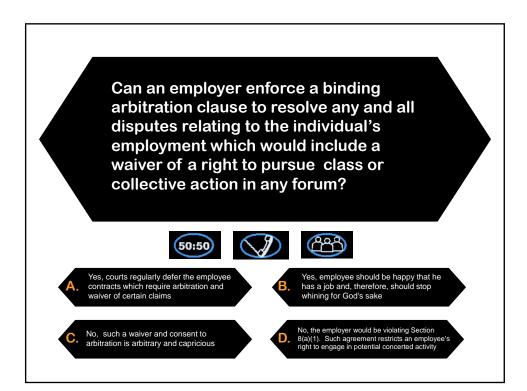
- Under Weingarten an employee has a right upon request to have a union representative in an investigatory interview that he or she "reasonably fears may result in his discipline." Once a union representative is requested, an employer has three lawful options (1) to grant the request; (2) discontinue the interview; or (3) offer the employee a choice of meeting without a representative or of no meeting at all.
- The Board found that Garner's suspension was not based upon the May 12th guest complaint but rather as a result of his refusal to complete a statement in a disciplinary interview without his requested representation and did suffer an "adverse employment action." Thus, the Act was violated.





Lincoln Lutheran of Racine and Service Employees International Union Healthcare Wisconsin, SEIU-HCWI Case 30-CA-111099 August 24, 2015

- The Board held that "like most other terms and conditions of employment, an employer's obligation to check off union dues continues after the expiration of the collective bargaining agreement" but finding it would be "unjust to apply our new holding in this case or in other pending cases, we shall apply our holding only prospectively."
- Of note is the Board's rational for overturning *Bethlehem Steel citing Autoworkers Local 1384 v. NLRB* 756 F.2d 482, 492 (7th Cir. 1985) where the court stated the Board "is free to change its mind on matters of law that are within its competence to determine, provided it gives a reasoned analysis in support of the change."
- The Board's reasoning is that the requirement that employers honor dues check off arrangements after the contract expires serves the Act's goal of promoting collective bargaining, consistent with longstanding Board precedent proscribing post-contract unilateral changes and terms and conditions of employment.



D.R. Horton, Inc., 357 NLRB 184 (2012) and Murphy Oil USA, Inc. v. National Labor Relations Board, __ F.3d __ (October 26, 2015)

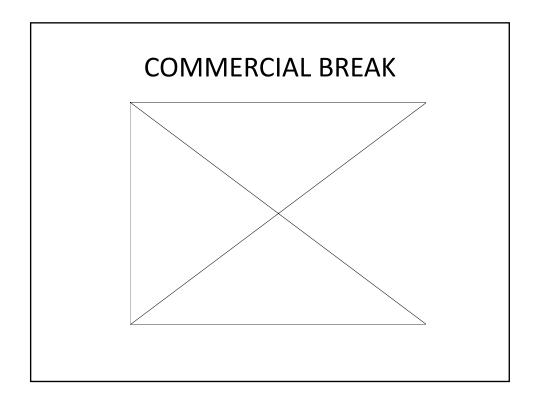
- In *D.R. Horton*, the Board held that an employer violates Section 8(a)(1) of the NLRA by requiring employees to sign an arbitration agreement waiving the right to pursue class and protective claims in all forums. The board concluded that such an arrangement restricts an employees Section 7 right to engage in protected concerted activity in violation of the Act.
- In June 2010, employees filed a collected action against Murphy Oil alleging violations of the Fair Labor Standards Act. After the decision in the D.R. Horton matter, Murphy Oil implemented an "revised arbitration agreement" stating that employees were not barred from "participating in proceedings to adjudicate unfair labor practice charges before the Board."
- In September 2012 an Alabama district court stayed the FLSA action and compelled the employees to submit their claims to arbitration.

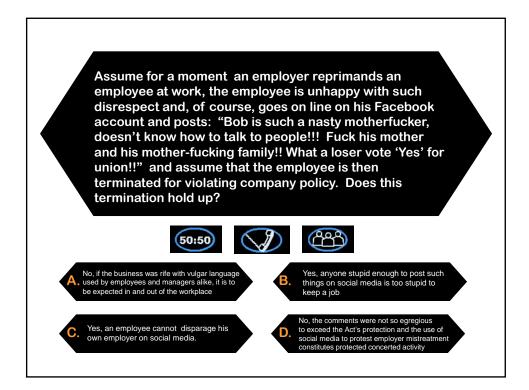
D.R. Horton, Inc., 357 NLRB 184 (2012) and Murphy Oil USA, Inc. v. National Labor Relations Board, __ F.3d __ (October 26, 2015)

- In October 2012, the NLRB's general counsel amended its complaint before the Board alleging that Murphy Oil's motion to dismiss to compel arbitration violated Section 8(a)(1) of the NLRA.
- In December 2013, the Fifth Circuit rejected the Board's analysis for arbitration agreements holding that the NLRA does not contain a "congressional command overwriting" the Federal Arbitration Act and, the use of class action procedures is not a substantive right under Section 7 under the NLRA.
- In October 2014, ten months after the Fifth Circuit's decision in *D.R. Horton* and six months after the rehearing was denied, the Board, unpersuaded by the Fifth Circuit's analysis reaffirmed the *D.R. Horton* decision holding that Murphy Oil violated Section 8(a)(1) by requiring all employees to resolve all employment-related claims through individual arbitration.

D.R. Horton, Inc., 357 NLRB 184 (2012) and Murphy Oil USA, Inc. v. National Labor Relations Board, ___ F.3d ___ , 2015 WL 6457613 (October 26, 2015)

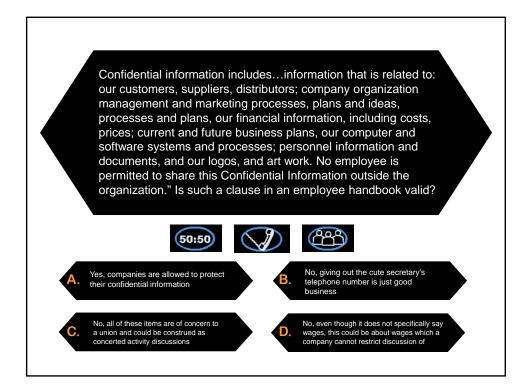
 In October of 2015, the Fifth Circuit held that Murphy Oil's motion to dismiss and compel arbitration did not constitute unfair labor practice but did enforce the Board's order that Section 8(a)(1) had been violated because an employer would reasonably interpret the arbitration agreement in effect for employees hired <u>before March 2012</u> as prohibiting the filing of unfair labor practice charges.

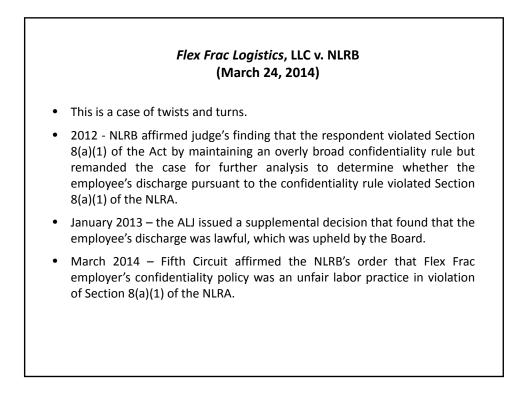


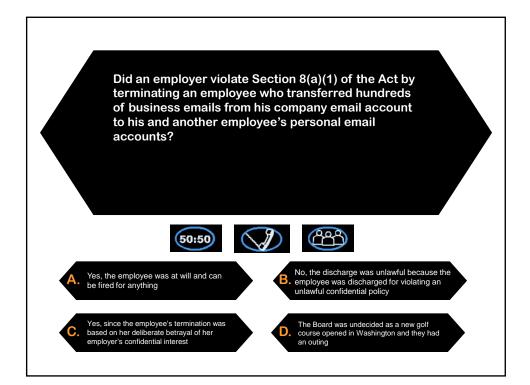


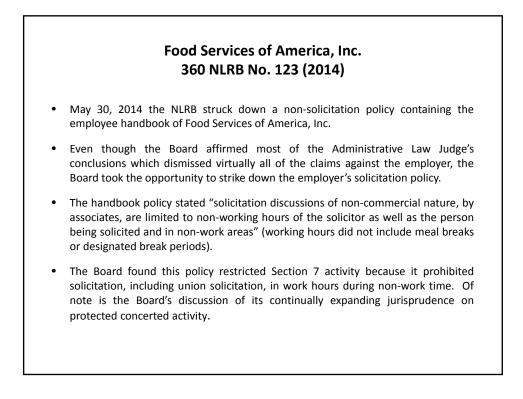
Pier Sixty LLC and Hernan Perez and Evelyn Gonsalez Cases 02-CA-068612 and 02-CA-070797 (March 31, 2015)

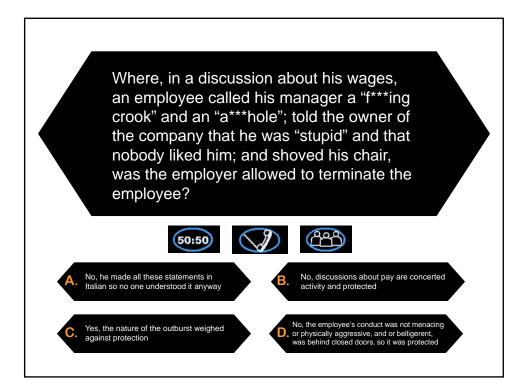
- In this case the Board determined that Perez' Facebook comments directed at the employer's supervisors asserted mistreatment of employees and seeking regress through an upcoming union election constituted protected concerted activity and union activity.
- The Board also agreed that the comments were not so egregious as to exceed the Act's protection and rejected the four-factor test in *Atlantic Steel Co.,* 245 NLRB 814 (1979) citing to precedent in 2014 which held that "the Atlantic Steel framework was not well suited to address issues ... involving employees off duty offsite use of social media to communicate with other employees over third parties" and rather adopted a "totality of circumstances" approach.

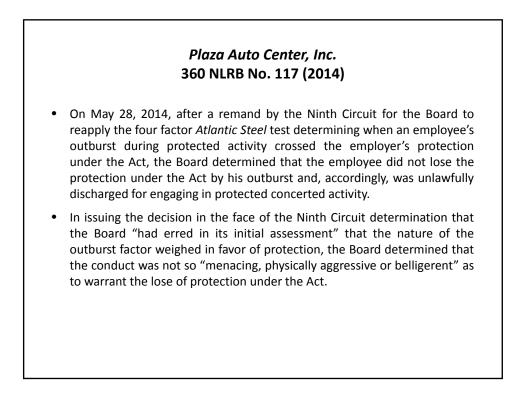








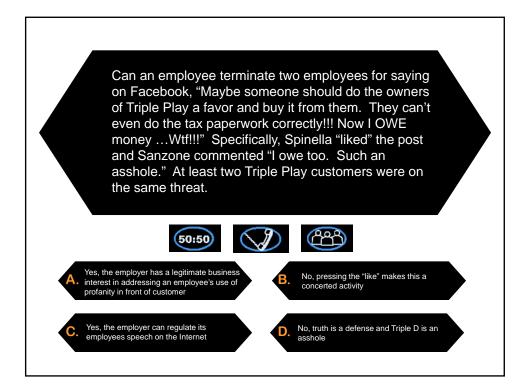


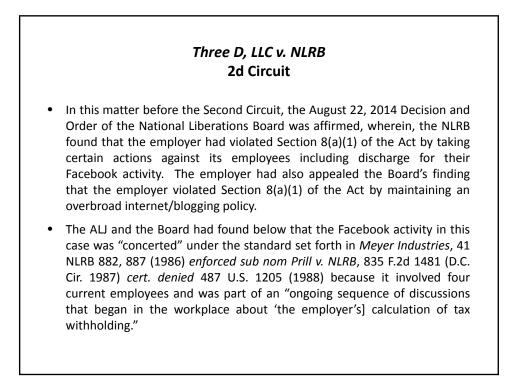


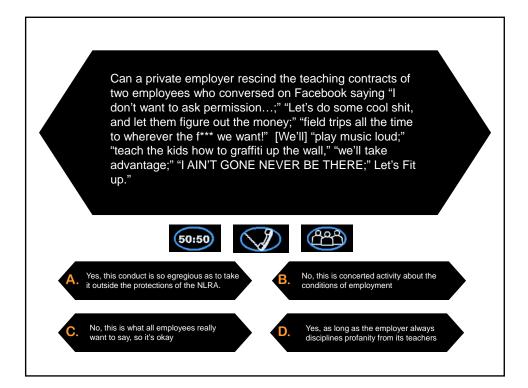


Hoot Wing, LLC and Ontario Wings LLC d/b/a Hooters of Ontario Mills Cases 31-CA 104872, et al. (May 19, 2014)

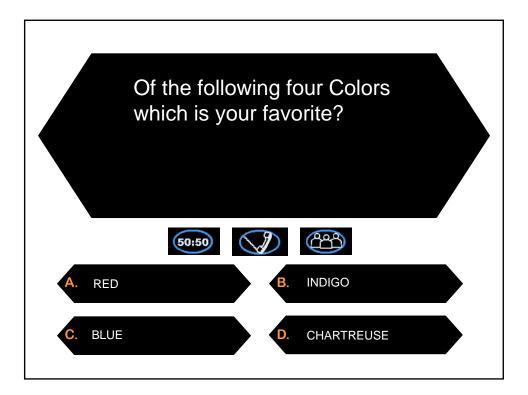
- May 19, 2014 ALJ found that employer violated Section 8(a)(1) of the act by maintaining mandatory arbitration provision that would be reasonably read by employee for filing of unfair labor practices of the Board.
- The definition of claims was the primary problem as it included "any claim of discrimination, sexual or other type of harassment, retaliation, wrongful discharge, any claim for wages, costs, interest, attorney's fees or penalties." The Board agreed in a decision dated September 1, 2015 stating that, although the arbitration agreement did not explicitly prohibit employees from filing claims with the Board, employees could reasonably read the agreement to do so in light of the breadth of the provision in terms of its reference to "any claim" and under "federal law" or "under a statute" and its specific inclusion of discrimination, retaliation or discharge or for wages.
- A petition for review has been filed with the Clerk's Office of the United States Courts of Appeal for the Ninth Circuit.







Richmond District Neighborhood Center, 361 NLRB No. 74 (2014) The employer operated the Beacon Teen Center at San Francisco George Washington High School, providing afterschool activities to students. After the employer sent rehire letters, following the school year, to both employees offer one employee a demotion because her supervisor had rated her performance negatively the previous year, the two employees went on Facebook. The following day a Beacon employee sent screenshots of the conversation to management. On August 13, 2012, relying solely on the Facebook posts, the employer rescinded the employment offers to these two employees. The Board determined that it could lawfully conclude that the actions • proposed in the Facebook conversations were not protected under the Act and the employees were unfit for further service upholding their dismissal.



Meyer Suozzi



Browning–Ferris: A Potential Game Changer for the Union Movement

By: Paul F. Millus

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Much has been made of the ruling on July 29, 2014 by the National Labor Relations Board's General Counsel, which authorized complaints to go forward with regard to alleged unfair labor practice violations of the National Labor Relations Act by McDonald's, USA, LLC and some of its franchisees. The result of that decision – in a case that is a long way off from being presented to the Board for decision – is the General Counsel found enough merit in the argument that McDonald's, USA, LLC is a joint employer that the complaints will be issued with McDonald's, USA, LLC named as a joint-employer respondent in connection with alleged unfair labor practices.¹ However, there is a far more immediate concern for employers, unions, and employees just below the horizon.

Who is a Joint Employer?

Since 1984, a pair of rulings by the NLRB set the standard for what constitutes a joint employer for purposes of enforcement of the NLRA. In *Laerco Transportaion* and *TLI*, Inc. the Regional Director was determined to have correctly ruled that joint-employer status is established when there is a "showing that the employer meaningfully affects matters relating to the employment relationship such as hiring, firing, discipline, supervision, and directions."² That ruling was later interpreted by the NLRB to require "direct and immediate" control by the putative employer over employment matters.³

The impact of this definition of a joint employer is significant. It affects collective bargaining because, instead of allowing for larger collective bargaining units with the power of numbers behind it, a more narrow definition of a joint employer limits opportunities for unionization as potential members are splintered among hundreds of small companies.

Likewise, as the NLRB is charged with investigating and prosecuting unfair labor practices under the NLRA, employers who believed they had no involvement with certain terms and conditions of employment are suddenly and potentially liable for violations. Finally, in a world where franchising⁴ has exploded and more and more business are using contingent or temporary employees,⁵ the expansion of the joint-employer doctrine could result in the largest increase of private union membership in decades. The stakes are indeed high.

Browning-Ferris

In the case of *Browning-Ferris Industries of California, Inc. and FRRII, LLC d/b/a Leadpoint Business Services and Local 350, International Brotherhood of Teamsters,* Case 32-RC-109684, which will be argues before the Board as it considers seventeen amicus briefs, the issue will be whether the Board should adopt a different standard for what constitutes a joint employer.

In this case, Petitioner, Local 350, International Brotherhood of Teamsters ("Local 350") seeks to represent all fulltime and regular part-time employees jointly employed by FRR-II, LLC d/b/a Leadpoint Business Services ("Leadpoint"), a temporary staffing agency, and Browning-Ferris Industries of California, INC. (BFI"), the client to whom Leadpoint supplies employees. The Regional Director rejected Local 350's claim that Leadpoint and BFI were joint employers, and the sole issue on appeal is whether BFI jointly employs Leadpoint's workers.

The Unions Perspective: Time for a Broader Standard

Local 350 argues that, while the facts support a finding that the employers are joint employers even ender the present standard, the Board should adopt a broader standard to effectuate the purposes of the NLRA and to conform to prior case law and "industrial realities." Local 350 maintains that "requires the Board to consider not merely the indicia of control exerted over the employees by each employing entity, but also the relationship, and the extent of control as between the two employing entities," which, it concludes, "requires consideration of the indirect control."⁶

Next, Local 350 contends that the Board's current analysis ignores the "industrial realities" of today's workplace.⁷ From Local 350's standpoint, the Board's narrow view of employment "makes even less sense in our current economy" where "the modern worker is awash in a sea of multi-layered and dependent relationships, and the current joint employment standard leaves him or her bereft of meaningful resort to the protections and processes of the Act."⁸

Local 350 is not alone in its quest to change the employment landscape for millions of workers. In addition to multiple amicus briefs supporting its position, the General Counsel of the NLRB has submitted a supporting amicus brief. While stating that the General Counsel "expresses no view of the merits of the case" because representation proceedings are "non-adversarial in nature," it does assert that it maintains an interest in the outcome. The General Counsel states unequivocally that the Board should not adhere to its existing joint-employment standard and should adopt a new standard, where under the "totality of circumstances" and joint-employer relationship exists where "the putative joint employer wields sufficient influence over the working conditions of the other entity's employees such that meaningful bargaining could not occur in its absence.⁹

According to the General Counsel, this approach would ensure that the Board would return to its traditional standard where "industrial realities" make an entity essential for meaningful bargaining. In making its case, the Board analogizes to the way "employer" is defined by the Federal courts in Title VII matters, which often utilize a "hybrid" right to control/economic realities or the traditional joint-employer standard.¹⁰

The General Counsel makes it plainly clear what is at stake. In an economy where (i) the contingent workforce has increased steadily, and (ii) franchising is ever expanding, it is the General Counsel's position that these commercial forms undermine meaningful collective bargaining and thus negatively impact union participation.¹¹

Management: A Broader Standard is No Standard

BFI's opposition is based on the argument that the joint-employer standard is, in reality, no standard at all and thus fails to satisfy due process. BFI posits that "standard" proposed by the Union and the General Counsel provides no guidance for businesses about how they can structure their business operations to provide certainty that they are, or are not, joint-employers under the NLRA.

Using its own version of the "industrial realities" standard, BFI and Leadpoint point out that business relationships typically involve agreements that indirectly, but necessarily, impact the terms and conditions of employment, providing as an example that service contracts "often involve significant control the customer over the service provider and, when services are performed on the customer's property, the amount of control is even greater."¹²

Likewise, the same argument can be applied to franchises, since franchises succeed not only because the public wants the products they provide, but also because of the consistency with which they provide them. Successful franchises generally dictate many things that could impact the employer-employer relationship, such as how to perform certain tasks, how franchisees can budget for a successful operation, and how many work hours are needed to perform certain tasks.

Moreover, BFI argues that the standard proposed by Local 350 would violate the NLRA by failing to give ordinary meaning to the term "employee" which it contends, citing to Supreme Court precedent, would lead to the conclusion that "an employment relationship does not exist unless the worker is directly supervised by the putative employer."¹³

Browning–Ferris: A Potential Game Changer for the Union Movement

Finally, BFI argues that adoption of the new standard would violate the Taft Hartly Act of 1947, which directed the Board to apply common law agency principles when interpreting the NLRA provisions.¹⁴ Those principles are that joint employer status requires "a showing that the employer meaningfully affects matters relating to the employment relationship such as hiring, firing, discipline, supervision and direction." ¹⁵

Conclusion

While the principle of stare decisis plays a role in Board decision making, the Board has demonstrated on several occasions its willingness to chart a different course.¹⁶ Thus, whatever the precedent may be, it is unlikely to be a persuasive factor in the Board's decision in *Browning-Ferris*. The fact is that private union membership has declined significantly over the past fifty years.

Some argue that unions have become unnecessary, while others fervently believe that the structure of today's business operations has thwarted a worker's ability to organize and form collective bargaining units to their economic detriment. If it is the later, then the decision in *Browning-Ferris* will send shockwaves through the temporary staffing and franchise industries. One can expect that workers at establishments such as McDonald's, given the opportunity to better their economic lives by having McDonald's USA, LLC on the other side of the bargaining table as opposed to their relatively small franchise owner, will fervently seek to organize and secure the right to collectively bargain.

¹Nat'l Labor Relations Bd., NLRB Office of the General Counsel Authorizes Compaints Against McDonald's Franchisees and Determines McDonald's, USA, LLC is a joint Employer, available at <u>http://www.nlrb.gov</u>

⁵Steven Greenhouse, N.Y. Times, The Changing Face of Temporary Employment, Available at <u>http://www.nytimes.com</u> (The number of workers employed through temp agencies has climbed to a new high - 2.87 million, according to the Bureau of Labor Statistics, and they represent a record share of the nation's work force, 2 percent).

⁶Brief for Petitioner Local 350's Opening Brief: <u>http://www.nlrb.gov/case/32-RC-109684</u>, *Browning-Ferris Indus. Of California*, Inc., & Fpr-II, LLC & Sanitary Truck Drivers & Helpers Locals 350, Int'l Bhd. Of Teamsters, available at <u>http://www.nlrb.gov/case/32-RC-109684</u>.

⁷Jewell Smokeless Coal Corp., 170 NLRB 392 (1968).

⁸Brief for Petitioner Local 350's Opening Brief at page 33: , *Browning-Ferris Indus. Of California, Inc., & Fpr-II, LLC & Sanitary Truck Drivers & Helpers Locals 350, Int'l Bhd. Of Teamsters*, available at <u>http://www.nlrb.gov/case/32-RC-109684</u>.

⁹Amicus Brief of the General Counsel at pp. 16-17, , Browning-Ferris Indus. Of California, Inc., & Fpr-II, LLC & Sanitary Truck Drivers & Helpers Locals 350, Int'l Bhd. Of Teamsters, available at <u>http://www.nlrb.gov/case/32-RC-109684</u>.

¹⁰Lopez v. Johnson, 333 F3d 959 (9th Cir. 2003); Bristol v. Bd. of county Comm'rs, 312 F3d 1213 (10th Cir. 2002).

¹¹The General Counsel noted in its brief that "some scholars have posited that franchisors consider an avoidance of unionization . . . to be the 'prime advantage of franchising.'" Amicus Brief of the General Counsel at 15, *Browning-Ferris Indus. Of California, Inc., & Fpr-II, LLC & Sanitary Truck Drivers & Helpers Locals 350, Int'I Bhd. Of Teamsters*, available at http://www.nlrb.gov/case/32-RC-109684.

¹²Brief for Employer BFI at 16, *Browning-Ferris Indus. Of California, Inc., & Fpr-II, LLC & Sanitary Truck Drivers & Helpers Local 350, Int'I Bhd, of Teamsters*, available at <u>http://www.nlrb.gov/case/32-RC-109684</u>.

¹³Id at 18 (citing *Allied Chem. & Alkali Workers of Am., Local Union No. 1 v. Pittsburg Plate Glass Co.,* 404 U.S. 157 (1971) ¹⁴*Id.* at 21; Taft- Hartley Act, Pub. L. no. 80-101, 61 Stat. 137 (1947) amending 29 U.S.C. 157 (rejecting the Supreme Court's decision in *NLRB v. Hearst Publications,* 322 U.S. 111 (1944) to the extent that it held that the Court held that the Board could ignore common law agency principles in distinguishing employees form independent contractors). ¹⁵*I gence Trans. P. Warehouse, 260* NLRP 324, 325 (1984) and TLL loc. 271 NLRP, 708 (1984).

¹⁵Lacero Trans. & Warehouse, 269 NLRB 324, 325 (1984) and TLI, Inc. 271 NLRB 798 (1984).

¹⁶See e.g. WKYC TV, Inc. and National Association of broadcast Employees and Technicians, Local 42 a/w/ Communications Workers of America, AFL-CIO, 359 NLRB 30 (2012); American Baptist Homes of the West, 359 NLRB 46 (2012); Pressroom Cleaners, Inc. and Service Employees International Union, Local 32BJ, 361 NLRB 57 (2014).

²Laerco Transportation, 269 NLRB 324 (1984); TLI, Inc. 271 NLRB 798 (1984).

³Airborne Freight Co., 338 NLRB 597 (2002).

⁴The Entrepreneur's Source, Franchise Industry Expected to Grow Faster than Rest of the Economy in 2014, <u>http://www.entrepreneurssource.com/blog/("Franchises</u> are expected to add nearly 200,000 new jobs in 2014...[and] will continue to outpace total private sector employment growth by 0.3 percent. The number of franchise businesses in 2014 is expected to increase by 12,915 in 2014, bringing total establishments to 770,368").