

Supreme Court To Review Legality Of Union Neutrality Agreement

June 25, 2013 | [Unions And Union Membership](#), [Labor And Employment](#)

In addition to agreeing to hear the issue of recess appointments, on June 24, 2013, the [Supreme Court granted cert](#) in a case challenging the legality of so called “neutrality agreements.” *UNITE HERE, Local 355 v. Mulhall*. Unions use neutrality agreements to get employers to agree not to oppose unionization and not to campaign against a union.

UNITE HERE is challenging the ruling of the 11th Circuit that such neutrality agreements could constitute a “thing of value” which cannot be demanded by or granted to a labor organization absent very limited and expressly identified circumstances. The restrictions on such transactions are contained in Section 302 of the Labor Management Relations Act (the “LMRA”) which forbids employers from paying, lending, or delivering “any money or other thing of value” to a union seeking to represent their employees, and prohibits the labor union from demand or receiving the same.

Martin Mulhall, an employee at Hollywood Greyhound Track in Florida, challenged the neutrality agreement entered into by his employer and UNITE HERE Local 355, and the 11th Circuit ruled that such an agreement could violate Section 302 if it conveyed a benefit with the intent of curbing or influencing the union.

While a decision will not be issued until next year, the outcome of this case is important as unions that have increasingly sought to use top-down organizing strategies such as neutrality agreements to eliminate any opposition when they attempt to unionize non-union workers.

Additional *UNITE HERE* coverage:

BT Labor Relations - "[Court Finds Company-Union Neutrality Agreement Unlawful](#)."

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