



**TESTIMONY
OF
CONNECTICUT HOSPITAL ASSOCIATION
LABOR AND PUBLIC EMPLOYEES COMMITTEE
Friday, February 7, 2003**

**HB 6216, An Act Requiring Recipients Of State Financial Assistance
To Sign Neutrality Agreements**

The Connecticut Hospital Association (CHA) appreciates the opportunity to submit testimony on **HB 6216, An Act Requiring Recipients Of State Financial Assistance To Sign Neutrality Agreements**. CHA opposes this bill.

This bill would require a nonprofit organization that is receiving loans, grants, guarantees or tax abatements from the state or any of its agencies to sign a “neutrality agreement” prohibiting the organization from “interfering in labor organizing and education campaigns, interfering with or participating in the activities of labor organizations, discriminating in hiring based on past labor organizing activity or to encourage or discourage membership in a labor organization, persuading employees to support or oppose labor organizing activity, harassing employees engaged in labor organizing activity, and hiring or consulting legal counsel or other consultants to advise the nonprofit organization on how to assist, promote or deter labor organizing or how to impede a labor organization’s employees from fulfilling its representational responsibilities”.

Employees are entitled by the federal National Labor Relations Act (NLRA) to vote their free choice in a fair, honest, secret-ballot election to determine whether they want union representation. The process is regulated to be impartial. Section 7 of the NLRA guarantees that employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all such activities. As part of the election process, both the union and employer have the opportunity to present information to eligible voters. The National Labor Relations Board (NLRB) oversees the election process to ensure it is fair. This proposed law would disrupt that balanced, regulated process by allowing unions to campaign freely but prohibiting employers from being able to talk to their employees and present them with relevant facts and information to make an informed decision.

The NLRB itself has questioned the legality of such laws. Recently the states of New York and New Jersey enacted labor “neutrality” laws. In December, the NLRB’s assistant general counsel for special litigation sent letters to the commissioners of labor of those states expressing “serious concern” that their recently enacted state laws “will effectively regulate conduct that is intended by Congress to be free from governmental interference”* and would conflict with rights afforded under the NLRA. The commissioners were asked to explain how their states plan to enforce their laws and why the state officials think the new laws are not preempted by the NLRA. On September 16, 2002, a federal judge in California ruled that the NLRA preempts a California law that prohibits employers from using state funds to assist or deter unionization efforts by their employees. The judge decided the neutrality provision is “preempted because it regulates employer speech about union organizing under specified circumstances, even though Congress intended free speech”*.

Employees are guaranteed the right to seek union representation. Federal law also provides a framework through which employees have access to information from both the union (or unions) and their employer in order that they make their own, private informed decisions. This bill is in direct conflict with federal policy favoring free speech in union organizing drives. Additionally, it abrogates an employer's fundamental right to seek advice of counsel, and it interferes with the employment relationship by denying employees access to information to which they are entitled.

Thank you for your consideration of our position.

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