



Foundation Action

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of the National Right to Work
Legal Defense Foundation, Inc.

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McCain-Feingold Bill Assaults Employee Rights

*Foundation attorney
releases bombshell
legal analysis*

SPRINGFIELD, Va. — A legal analysis conducted by a senior Foundation attorney revealed that the McCain-Feingold campaign finance bill now under consideration in the U.S. Senate is a “Trojan Horse,” containing crafty language designed to overturn U.S. Supreme Court decisions that give employees the right not to fund union electioneering.

The Foundation study released last month refutes brazen claims by Senators John McCain (R-Ariz.) and Russ Feingold (D-Wis.) that Section 304 of their campaign finance bill would “codify” the U.S. Supreme Court *Communications Workers of America v. Beck* decision.

“This is a bombshell. The *Beck*-gutting language in McCain-Feingold was not placed there by mistake,” said Foundation Vice President Stefan Gleason. “It very well could have been drafted by the union bosses themselves.”

The analysis, entitled “McCain-Feingold’s So-called ‘Codification’ of *Beck*: In Reality, a Trojan Horse,” was authored by Foundation Senior Staff Attorney Raymond J. LaJeunesse, Jr., one of the attorneys who helped win the Supreme Court’s *Beck* decision.



AP Wide World Photos

Sen. John McCain gives a “thumbs up” to his pet campaign finance bill, which deliberately overturns Foundation-won protections for American workers.

Phony reform bill gives union bosses free rein

LaJeunesse warns that McCain-Feingold would “overrule almost 40 years of decisions of the United States Supreme Court concerning what union activities objecting nonmembers may be compelled to subsidize.” The bill would dramatically weaken current requirements, instead barring only the use of compulsory dues for “political activities unrelated to collective bargaining.”

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McCain-Feingold

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It thus would sanction the use, now prohibited, of compulsory dues for a broad range of political and ideological purposes, repudiating the U.S. Supreme Court's 1961 decision in *Machinists v. Street* that no political and ideological activities may be subsidized with compulsory union dues.

Many Right to Work supporters know that union bosses, who run highly political organizations, often assert that *all* of their political activities are somehow related to collective bargaining.

The Supreme Court's strict standard in *Beck* (now under attack by McCain-Feingold) prohibits unions from charging for all politics as well as lobbying, public relations, union organizing, litigation outside the bargaining unit, member-only activities, and union publications that discuss those subjects.

Moreover, the bill, if passed, would allow union officials to sidestep the requirement, established by the Foundation-won *Chicago Teachers Union v. Hudson* decision, to provide workers with an independent audit of union expenditures before seizing any forced dues. Under McCain-Feingold, union officials would no longer be required to provide all compulsory dues payers full audited disclosure. They would instead need only provide a "reasonable explanation" to workers who inquire into how the money is spent.

Legislation empowers union puppet NLRB

Foundation attorneys represented telephone lineman Harry Beck before the U.S. Supreme Court in 1988. In that case, the High Court ruled that employees may reclaim all forced union dues used for activities unrelated to collective bargaining.

Since then, Foundation attorneys have represented tens of thousands of workers seeking protection under *Beck* and related Supreme Court rulings.



Union bosses would become even more powerful if McCain-Feingold became law.

The main obstacle to protecting those workers' rights, aside from union bosses, has been the National Labor Relations Board (NLRB).

In the analysis, Foundation attorney LaJeunesse notes that the NLRB has consistently dragged its heels with regard to *Beck* enforcement, often leaving cases languishing in the Board's bureaucracy for years before reviewing them. In many instances, the NLRB refuses even to hear cases unless workers comply with unreasonable and often impossible demands for detailed records of union finances and activities.

Thankfully, workers have been able to side step the NLRB by seeking relief in the federal courts, which currently have concurrent jurisdiction with the NLRB over *Beck* claims. That would


change if McCain-Feingold becomes law. Section 304 of the legislation amends the National Labor Relations Act (NLRA), apparently handing the NLRB exclusive jurisdiction to enforce *Beck* — stripping the federal courts of their jurisdiction to do the same.

"Giving Big Labor's NLRB exclusive jurisdiction over *Beck* enforcement is tantamount to asking the fox to guard the hen house," said Gleason.

McCain-Feingold bill empowers union bosses

The Foundation's Legal Information Department has launched an aggressive campaign to educate the American public on the devastating impact the legislation will have on the rights of working Americans.

"The American public must be told the truth about McCain-Feingold," said Gleason. "Its union-dues provisions open the door for union bosses to seize unprecedented resources to promote their Big Government agenda."

A copy of LaJeunesse's analysis can be accessed online at www.nrtw.org or is available by contacting the Foundation at 1-800-336-3600. 

Foundation Action

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The Foundation is a nonprofit, charitable organization providing free legal aid to employees whose human or civil rights have been violated by abuses of compulsory unionism. All contributions to the Foundation are tax deductible under Section 501(c)(3) of the Internal Revenue Code.

California Teachers Challenge “Local Presumption” Policy

Foundation attorneys seek to shut down union’s compulsory dues rip-off scheme

BAKERSFIELD, Calif. — Four California teachers have launched a legal battle to shut down the California Teachers Association (CTA) union’s statewide scheme designed to hide its political spending.

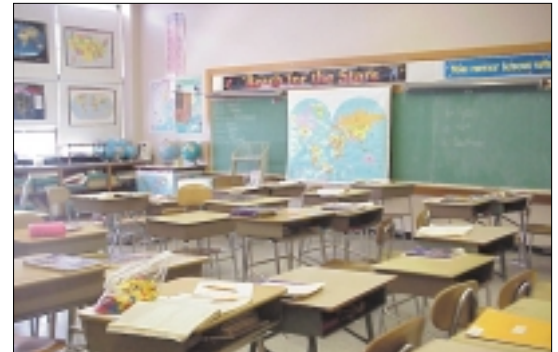
Foundation attorneys filed a federal civil rights lawsuit on behalf of Bakersfield high school teacher Marty Lakin and three of her fellow teachers. Foundation attorneys are seeking a court order to strike down the CTA union’s policy of directing local affiliates to circumvent the Foundation-won requirement to provide teachers with an independent audit of union expenditures.

“Using this scheme, CTA union bosses are siphoning off millions of dollars from California teachers to fund their ever-growing political empire,” said Randy Wanke, Foundation Director of Legal Information.

Under the First Amendment of the U.S. Constitution, as articulated in the Foundation-won Supreme Court decision in *Chicago Teachers Union v. Hudson*, union officials must first provide independently audited disclosure of their

books and prove that forced union dues are not spent on non-bargaining activities like politics.

Using CTA union procedures, approximately 900 of the union’s 1,000 local affiliates have intentionally circumvented *Hudson* by arbitrarily claiming that the percentage of the local union activities tied to collective bargaining could be “presumed” to be equivalent to the percentage reported on the financial disclosure of the statewide parent union.



Teacher union officials are imposing their far-left agenda and bizarre values on America’s impressionable schoolchildren.

Union lawyer confesses “it’s all politics”

The CTA union, a puppet of the National Education Association (NEA) union, is perpetually preoccupied with political battles. Robert Chanin, the top NEA union lawyer recently let slip in an interview with *Education Week* that union officials cannot “separate [the] NEA’s

collective bargaining efforts from politics. ...it’s all politics.”

Wanke pointed out that the union lawyer’s surprisingly frank statement sheds some much-needed light on why the CTA union fights so desperately to protect the “local presumption” scheme. “CTA union officials’ dirty little secret is that they run a purely political organization. They employ this scam to hide that fact from unsuspecting teachers.”

NLRB Attempt to Protect Union Negligence Overturned

Scofflaw federal agency loses even more credibility

WASHINGTON, D.C. — Foundation attorneys have persuaded a federal appellate court to turn back another attempt by the union-stooge National Labor Relations Board (NLRB) to expand the power of union bosses over the economic prosperity of employees.

Using twisted logic, the Board had authorized unions to use “negligence” as an excuse for preventing employees from getting a job through an exclusive union hiring hall. A hiring hall, most commonly found in the construction industry, is an arrangement where employers and employees must rely on union referrals when hiring employees.

But after taking the case of Joe Jacoby, Foundation attorneys convinced the United

States Court of Appeals for the District of Columbia Circuit to order the NLRB to reconsider its ruling that thumbed its nose at long standing Board precedent as well as two U.S. Supreme Court rulings.

“Once again, a federal court has slapped down the rogue NLRB,” said Foundation Vice President Stefan Gleason. “When will this scofflaw federal agency stop protecting unions that abuse employees’ rights?”

NLRB thumbs nose at employee rights

The NLRB had held that the union

did not violate its duty of fair representation when it “negligently” failed to refer Jacoby through its exclusive hiring hall. The union prevented Jacoby from getting a job as a pipefitter at Contra Costa Electric, even though he was qualified and even though he was next in line for work.

Had the NLRB’s ruling been allowed to stand, it would have further eroded the requirement that unions treat employees fairly. However, in overturning the Board, the appellate court reaffirmed that when a union operates an exclusive hiring hall, it must satisfy a higher standard of care when it enforces “hall rules.”

Boeing Engineers Hit Union with Federal Charges

Employees object to paying union dues for politics



Michael Butcher courageously stood up to union officials who funneled money into electioneering.

SEATTLE, Wash. — Union officials of a large engineering union are in hot water after imposing forced union dues on Boeing employees and siphoning portions of the new union fees into politics and other non-chargeable activities. Boeing engineer Michael Butcher, who objected to being forced to support the Society of Professional Engineering Employees in Aerospace (SPEEA) union's political advocacy, filed federal charges to protect his right to free speech and association.

SPEEA union officials secured the power to impose agency fees on union non-members following a costly 40-day strike against Boeing in the spring of 2000. The agency fee provision hands officials at the AFL-CIO-affiliated union an additional \$1.5 million annually from all Seattle-area Boeing engineers and technicians.

Union violates employees' constitutional rights

Michael Butcher, an engineer at Boeing's propulsion systems facility,

turned to Foundation attorneys to help him pursue federal charges against the SPEEA union after union officials repeatedly misled and "discouraged" employees from objecting to the union's political operations. Union officials illegally insisted that employees must obtain permission from the union hierarchy before exercising their rights as political objectors.

SPEEA union officials violated the First Amendment rights of employees as articulated in the Foundation-won U.S. Supreme Court ruling in *Communications Workers v. Beck*, which states that workers may choose (at their discretion) to withhold union fees used for politics and other non-bargaining purposes. Union officials also violated employees' rights under the Foundation-won *Chicago Teachers Union v. Hudson* case by failing to provide a complete and independently audited copy of the union's financial records so that employees could identify political and other non-chargeable spending.

Union bureaucrats hide and distort spending

When the engineers requested to see the SPEEA union's financial records (their legal right as agency fee payers), union bureaucrats provided an incomprehensible so-called "audit" of expenditures. "SPEEA provided a phony audit that was so vague in the definitions of some items that it was impossible to determine what the expenses were for," Butcher stated. "The truly amazing part was that the union apparently thought that engineers don't know how to use a calculator well enough to be able to check the union's faulty accounting."

Union bosses then systematically discriminated against objecting engineers by denying them access to training and bargaining programs,

funded by the mandatory union fees, covered under the collective bargaining agreement.


Foundation seeks justice for employees

Dozens of other Boeing engineers are joining in Butcher's legal challenge of the union's fishy practices.

Butcher used the Foundation's web site to inform coworkers of their rights. "Links to the web site quickly spread throughout the company. In fact, given the widespread distribution that the NRTW web site received, I'm surprised that the union didn't become alerted and try to become a little more careful," he said. Union officials "play[ed] many of the same games I had read about for months on the NRTW web site."

Foundation attorneys are seeking a judgment to force SPEEA officials to stop collecting compulsory union fees used for politics and other non-chargeable expenditures. Foundation attorneys are also demanding that the government order union officials to stop discriminating against non-members and to provide employees with accurate financial records.

"This case proves that compulsory unionism abuses infect many professions," said Stefan Gleason, Foundation Vice President. "It's not just blue-collar workers who suffer under the yoke of Big Labor — union officials have power over white-collar workers in America's office buildings."

Dozens of Boeing employees recently received a notice from the SPEEA union stating that "your employment is at risk ... if you fail to comply you will be terminated." Should union bosses order any illegal firings, Foundation attorneys will be ready to file new rounds of federal charges against the recalcitrant union. 

Bush's *Beck* Order Is Called a Small First Step

Right to Work leaders cite need for more substantive action



The elder President Bush, accompanied by Harry Beck (right) first signed the Beck executive order in 1992.

WASHINGTON, D.C. — President George W. Bush's signing of an executive order requiring federal contractors to inform employees of their right not to fund union political activities was met with cautious approval by Right to Work leaders last month.

Though welcomed as an encouraging sign, the Bush executive order seeks to merely *educate* a small segment of the 12 million American employees compelled to pay union dues as a condition of employment. Yet it does nothing to actually *enforce* employee rights.

"Though welcomed, President Bush's executive order is only a small — and largely symbolic — first step toward curbing compulsory unionism abuse. Unless the National Labor Relations Board (NLRB) is actually willing to enforce the law, union officials will continue to shake employees down for political contributions with virtual impunity," said Stefan Gleason, Vice President of the Foundation.

Bush must force NLRB to do its job

In early 1992, Bush's father issued a

similar executive order requiring the posting of notices informing employees of their rights under the Foundation-won decision in *Communications Workers v. Beck*. But President Bill Clinton immediately revoked the order at the request of union officials after he took office in 1993. Additionally, the Clinton NLRB stonewalled the enforcement of these precious employee protections, often

leaving many cases languishing within the bureaucracy for six or more years.

During the year 2000 elections, union officials spent approximately \$900 million on soft money and in-kind political activities, nearly all of it paid for out of union dues collected from employees as a condition of employment. Though the *Beck* precedent is not a cure-all, the Foundation's free legal aid program has ensured that hundreds of thousands of employees are getting substantial dues reductions.

Gleason noted that the best solution is to attack compulsory unionism abuse at its root, not to fashion new regulatory schemes and government bureaucracies to regulate its ill effects. (Many are watching President Bush to see whether he will make good on his pledge to


advocate the National Right to Work Act in Congress, a measure that would repeal federal authorization of compulsory unionism.)

Best target is at root of union privileges

Ultimately, a Foundation case may lead the U.S. Supreme Court to declare monopoly bargaining itself unconstitutional or to go beyond the Beck approach and declare forced dues entirely unconstitutional. (The latter of these two goals could be achieved by a pending Foundation case, *Belhumeur v. Massachusetts Labor Relations Commission*, now on petition for a writ of certiorari before the U.S. Supreme Court.)

Although union officials have publicly criticized President Bush's executive order, labor experts say that the reaction behind closed doors is more subdued, as the union bosses realize that this largely symbolic act will have only a small impact on their ability to collect forced union dues. They also understand that it takes political pressure off politicians and judges to make more substantive changes to America's draconian labor laws.

"Bush's new executive order may lead some in Washington foolishly to declare victory over Big Labor," said Gleason. "That would be tantamount to a football

team declaring victory after winning the coin toss. Far more must be done to protect America's working men and women against the scourge of compulsory unionism." 

"Far more must be done to protect America's working men and women against the scourge of compulsory unionism."

Big Labor Vows to Derail New White House

AFL-CIO poised to stall freedom agenda

WASHINGTON, D.C. — During last year's election, AFL-CIO president John Sweeney made Big Labor the most feared political organization in America as he came within striking distance of seizing total power in Washington.

Sweeney and his fellow union bosses have wasted no time in attempting to derail Congress and the new Bush administration from enacting a pro-freedom agenda. In response, the National Right to Work Foundation has stepped up its efforts to protect workers who are forced to fund Big Labor's political dominance.

"Big Labor's success in last year's election — made possible by its unique government-granted power to seize forced union dues from dissenting workers — ought to strike fear into the heart of every American worker, job provider, politician, and taxpayer who values individual freedom," said Foundation Vice President Stefan Gleason.

Union bosses draw a bead on new president

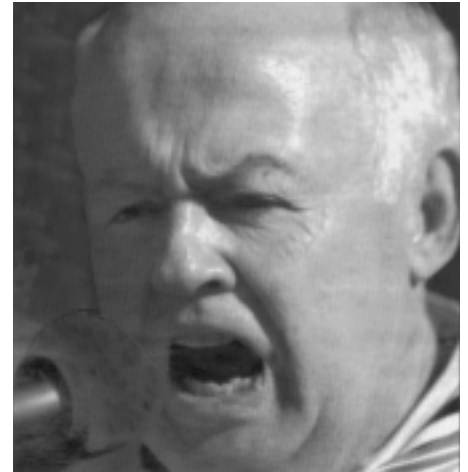
Following the election, union officials quickly focused their political machinery on the task of

tripping up the newly elected Bush administration.

In their first salvo, union bosses succeeded in killing the nomination of Linda Chavez to be Secretary of Labor. They also fought to sink the nominations of other Bush cabinet appointments, including Gale Norton as Interior Secretary and John Ashcroft as Attorney General, while vowing to sabotage any attempts by the president to nominate U.S. Supreme Court justices who will uphold the Constitution.

According to news reports, AFL-CIO officials were deeply involved in attempts to derail Ashcroft's nomination (even though, as a U.S. Senator, Ashcroft voted with Ted Kennedy and other Big Labor allies to kill Right to Work legislation). As part of a secretive coalition made up of far-left political organizations, it was the responsibility of AFL-CIO officials to, among other things, sift through Ashcroft's travel records in the hopes of uncovering political dirt.

Meanwhile, union officials are attempting to derail President Bush's tax cut package while pushing for increased government spending and more job-killing regulations. They can also be counted on to fight attempts to protect workers against compulsory unionism



AFL-CIO czar John Sweeney has declared war on President Bush's economy-boosting tax cut package.

abuses, including union violence.

Knowing of Big Labor's penchant for violence, some wondered whether John Sweeney was actually being literal in a recent threat against President Bush. As reported by *Daily Labor Report*, Sweeney told a group of union activists that if Bush does not cave in to Big Labor's demands, "we'll bust his chops."

"Sweeney and his allies smell blood in the water," said Gleason. "All of this is designed to keep Big Labor's political activists energized for another push to take over the U.S. House and Senate in the 2002 elections."

Foundation steps up legal aid program

Big Labor's assault on the new administration and the pro-freedom agenda is unwillingly funded by millions of working men and women who are forced to pay union dues as a condition of employment.

Unfortunately, when workers speak out against Big Labor's political spending scheme, they face harsh retaliation.

That's why the Foundation is earmarking increased resources this



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Planned Giving is a great way to support your National Right to Work Foundation. Some of the ways you can help the Foundation are:

- ✓ Remembering the Foundation in your Will
- ✓ Gifts of Stocks/Bonds
- ✓ Charitable Trusts
- ✓ Gifts of Appreciated Real Estate

For more information on the many ways you can ensure that your support of the Foundation continues, call the Foundation at (800)336-3600 or (703) 321-8510. Please ask to speak with Alicia Auerswald.

Big Labor

continued from page 6

year to step up its fight on behalf of workers victimized by compulsory unionism abuses.

With the assistance of Foundation supporters, Foundation attorneys plan to prosecute Big Labor for violating employee rights; slam union officials with more class-action lawsuits that can force refunds to tens of thousands of workers at one time; and use the courts to advance the law by raising test cases to set powerful new precedents at the U.S. Supreme Court.

Meanwhile, the Foundation's Legal Information Department is planning to use every avenue of modern communications to shine the light of public exposure on Big Labor's abuses of compulsory unionism.

In recent years, a few "experts" sounded a premature death-knell for Big Labor's political clout, but Big Labor's success in the 2000 elections is likely to wipe out those obituaries.

"Using money seized from the paychecks of America's working families, Big Labor bosses like John Sweeney have built an organization that is now the principal engine driving the far-left agenda in American politics," Gleason declared. †

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www.nrtw.org**

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Message from Reed Larson

President
National Right to Work
Legal Defense Foundation

Dear Foundation Supporter:

"Man knows not his time."

These familiar words are a reminder to us of the need to put our affairs in order before our passing.

There is a sense of peace that comes from knowing that the people and causes we care about will be provided for after we are gone. That's why I'm especially grateful when Right to Work supporters remember the Foundation in their estate plans.

Just recently, we received word that a Foundation supporter from Allegheny County, Pennsylvania, passed away and left the Foundation a generous bequest of \$50,000.

Because he did not let us know of his planned bequest while he was still alive, we were not able to thank him personally for his generosity. That's why I am today recognizing his generosity and extending our heartfelt thanks to his family.

If you have recognized the advantages of planned giving and have decided to include the Foundation in your plans, please let us know now so we can thank you.

We can also advise you on various ways you can structure your planned giving to achieve the maximum tax advantage for your estate. Just call my assistant Alicia Auerswald at 1-800-336-3600.

I am honored that so many of the Foundation's supporters have made provisions to advance the Right to Work cause not only today but into the future.

Sincerely,

Reed Larson