



Foundation Action

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

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Supremes Hear Care Providers' Challenge to Forced Unionism Scheme

Foundation Supreme Court challenge could end all public sector forced dues

WASHINGTON, DC – National Right to Work Foundation staff attorneys, fresh on the heels of successfully defending an appeals court precedent limiting the potential for backroom deals between union organizers and company officials, once again argued before the U.S. Supreme Court in January in another potential landmark case.

The case, *Harris v. Quinn*, is a federal class-action lawsuit brought by eight Illinois care providers challenging the constitutionality of a law approved by disgraced former Illinois Governor Rod Blagojevich and an executive order signed by current Governor Pat Quinn that designated individuals who offer in-home care to disabled persons receiving state subsidies as “public employees” for the purpose of subjecting them to forced unionization.

The scheme designates providers as public employees only for the purposes of unionization, leaving the homecare recipients as the employers for all other aspects of the providers' work.

Order handed over 20,000 care providers to SEIU

Blagojevich's executive order designated over 20,000 personal care providers as state employees. Those care providers were quickly forced into Service Employees International Union (SEIU) ranks.



Plaintiff Susie Watts addressed the media with her Foundation staff attorney, Bill Messenger, at the steps of the Supreme Court.

Susie Watts, a homecare provider, certified disability professional, and one of the plaintiffs in the *Harris* case, has lived in the greater Chicago area since 1992. As the mother of three children, her focus has always been on the care of her family.

Her daughter Libby's extremely premature birth in 1986 at just 25 weeks gestation has left Watts and her family to face several complex medical and physical challenges. Despite her strong cognitive abilities, Libby has quadriplegic cerebral palsy, meaning she is unable to walk, talk, or care for herself.

After Watts was “unionized” by the SEIU, she was concerned what a union meant for the care of her daughter.

“It has been my joy and challenge as Libby's mom to provide for, advocate, and coordinate her care while ensuring she has a life full of meaningful experiences with her family, friends, and in her community,” says Watts. “This case for me is about protecting Libby, the services she qualifies for, and my ability to provide those services.”

Union organizers mislead homecare providers

As a result of Quinn's 2009 executive order, SEIU organizers have been seeking to acquire monopoly bargaining control over a newly-created class of 4,500 so-called public employees.

See FOUNDATION SUPREME COURT CASE page 2

IN THIS ISSUE

- 3 *Harris v. Quinn*: Reactions to a Groundbreaking Foundation Supreme Court Case
- 4 Chattanooga VW Workers Stave off UAW Union “Card Check” Campaign
- 5 Long Island Teacher Wins Settlement after Union Pocketed Her Donations
- 6 Civil Servants File Lawsuit against SEIU to Reclaim Dues Spent on Politics
- 7 Tax Season is Upon Us: Have You Thought About Your Financial Options?
- 8 Organizing Deal Foiled

Foundation Supreme Court Case Could End Public Sector Forced Dues

continued from page 1

Pam Harris, the lead plaintiff in the case, is one of those 4,500 providers. Harris resides in northern Illinois with her husband and cares for her adult son Josh. Josh, 25 and a fifth-generation Illinoisan, has a rare genetic condition called Rubinstein-Taybi syndrome. Harris feeds, bathes, and helps Josh live a meaningful life at home close to his family and friends. After Harris was designated as a state employee, two Service Employees International Union (SEIU) organizers showed up at her door.

“The state . . . provided SEIU [organizers] our names and our addresses,” Harris recounted to a reporter. “They have no idea about what it is to be a parent of an adult with significant disabilities.” One of the SEIU organizers asked her to sign a card “so my boss knows I spoke to you.” The card was an authorization for unionization.

“This case, for me, is all about doing what’s right for Josh,” Harris said.

“After a long legal battle, Pam Harris and Susie Watts have finally made it to the Supreme Court,” stated Mark Mix, President of the National Right to Work Foundation. “Speaking for everyone

here at the National Right to Work Foundation, it’s been an honor to represent these courageous women as they fight to care for their sons and daughters free from union interference.”

Case could set broad precedent against forced unionism

If the Court rules that Blagojevich’s unionization scheme violates Illinois homecare providers’ First Amendment rights, that precedent could undermine similar homecare unionization campaigns in over a dozen states.

Moreover, the *Harris* case is an opportunity to build on earlier Foundation-won precedents to limit union bosses’ forced-dues powers.

In 1977, the Court ruled that workers who refrain from union membership could cut off dues for politics but would still be required to fund union expenditures related to collective bargaining. However, in the Foundation’s 2012 landmark *Knox v. SEIU* victory, Justice Samuel Alito’s majority opinion hinted that the Court might be willing to revis-



The Foundation’s latest Supreme Court case could end forced dues for all public sector employees.

it the constitutionality of government union bosses’ forced dues powers, which the majority referred to as “something of an anomaly” in the Court’s First Amendment jurisprudence.

In *Harris*, Foundation attorneys asked the Court to expand on the ruling it issued two years ago in *Knox*. Later, when Justice Alito asked the SEIU’s lawyer if a worker who sincerely believes the union is not acting in his best interest is still considered a “free rider” because he must still accept that union’s so-called representation, the SEIU lawyer tellingly responded, “Yes, Your Honor.”

“The Supreme Court may reconsider the dubious logic union bosses have relied on to force public sector employees to pay dues,” explained Ray LaJeunesse, Legal Director of the National Right to Work Foundation. “The Court could declare that forced union dues unconstitutionally compel public-sector workers to subsidize speech and therefore violate their First Amendment rights.”

“Such a ruling could outlaw forced dues and fees for all public-sector workers.”

A ruling is expected this spring. 

Foundation Action

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***Harris v. Quinn*: Reactions to a Groundbreaking Foundation Supreme Court Case**

Supreme Court arguments in the Foundation's *Harris v. Quinn* case (see our front page story for further details) attracted comment from across the political and media spectrum. Below, you'll find a few of the responses that underlie the significance of this landmark legal battle.

“[The National Right to Work Foundation’s arguments] would radically restructure the way workplaces across this country are run.”
– U. S. Supreme Court Justice Elena Kagan

“[A] sweeping argument advanced by a group of Illinois state employees that paying mandatory union dues violates their free-speech rights.” - REUTERS

“[A case] with the potential to undercut the power of organized labor.” – BLOOMBERG NEWS

“The Supreme Court appeared close Tuesday . . . to scaling back the ability of labor unions to represent public employees.” - USA TODAY

“The case has been closely watched by labor experts because it could overturn a 1977 Supreme Court precedent, *Abood v Detroit Board of Education* . . . a key source of funding for public sector unions.”
– THE WASHINGTON EXAMINER

“A broad challenge to public sector unions . . .”
– THE NEW YORK TIMES

Chattanooga VW Workers Stave off UAW Union “Card Check” Campaign

Foundation moves to defend workers against UAW attempt to overturn vote against unionization

CHATTANOOGA, TN – Tennessee Volkswagen workers recently voted against unionization in a secret ballot election despite constant calls by United Auto Worker (UAW) officials to be recognized as the workers’ monopoly bargaining representative via a coercive “card check” campaign.

For nearly two years, UAW bosses have pulled out all the stops to unionize VW autoworkers in the company’s Chattanooga plant, reportedly spending five million dollars on the campaign. The UAW union hierarchy used coercive card check unionization tactics in a concerted effort to expand their ranks into job-producing Right to Work states after 75 percent of their members have fled the union since 1980.

Card check campaign spurs federal charges

Responding to media reports about the UAW’s coercive tactics, the National Right to Work Foundation announced that it would provide free legal assistance to workers who felt unfairly pressured when deciding whether or not to associate with the UAW union.

In response, eight Volkswagen workers took up the offer and filed charges with the National Labor Relations Board (NLRB) against the UAW union for misleading and coercing them and their coworkers into forfeiting their rights to UAW union organizers. Some of the charges stated that when workers asked to revoke their card check signatures and have the cards returned to them, union officials told them that they had to physically appear at the union office to do so, a blatant attempt at intimidation.

Three of the workers also filed a charge with the NLRB against the company after German VW management



UAW union bosses want to export their brand of Detroit-style forced unionism to Volkswagen auto workers in Chattanooga.

made comments in the media that suggested the Chattanooga plant must adopt a so-called “works council” that would force workers to accept UAW union officials’ representation for any expanded production to be considered for that plant. The workers alleged that VW officials’ statements illegally coerced workers into acquiescing to UAW union control or risk the loss of new job opportunities.

Leaked emails raise questions about Labor Board’s impartiality

After a three month investigation, the NLRB’s Division of Advice authored two “Advice Memorandums” instructing the NLRB Regional Director in Atlanta to dismiss the workers’ charges.

When the memos were issued, NLRB staff in Washington, D.C., hurriedly released the documents to members of the press even though such memos are rarely, if ever, released to anyone in open

cases. More alarmingly, the memos were not released to the workers’ Foundation staff attorneys. Foundation public relations staff later received the NLRB memos from a reporter in Chattanooga.

An email the NLRB Atlanta Region accidentally forwarded to Foundation attorneys indicates that VW’s lawyers also received inquiries regarding the memos’ content from a press contact in Knoxville before management actually received the memos. Furthermore, the email shows that the Regional Director in Atlanta questioned the propriety of the memos’ release to the media, contrary to longstanding NLRB practice.

The NLRB Regional Director’s message also states, “I hope the RTW folks do not pick apart the dismissal letters because they may not exactly track the advice wording.” Foundation attorneys believe that the NLRB’s hurried public release of memos favorable to VW and the UAW right before a high-profile unionization election calls into question the agency’s impartiality in the workers’ cases.

In response, Foundation staff attorneys, led by former NLRB Member John Raudabaugh, requested an official inquiry into the NLRB’s conduct regarding the workers’ charges. Foundation attorneys also filed a Freedom of Information Act (FOIA) request with the NLRB seeking full disclosure regarding the agency’s handling of the case and its contacts with UAW agents.

“The NLRB’s actions undermined Foundation attorneys’ ability to advise their clients before the NLRB’s dismissal of their cases became publicly known,” explained Ray LaJeunesse, Vice President and Legal Director of the National Right to Work Foundation. “The NLRB’s conduct suggests that one set of rules applies to benefit union

bosses and another applies to workers who wish to remain union-free.”

Workers reject union in secret ballot election

Soon after the NLRB dismissed the workers' charges, UAW officials again pressured VW to grant the union monopoly bargaining powers based on the tainted card check campaign. However, VW management filed a petition for a secret-ballot election, likely due to the opposition of independent-minded workers to the card check scheme.

Shortly before the election was scheduled, VW and UAW officials struck a backroom deal giving union organizers preferential access to the workers leading up to the election. Chattanooga media outlets acquired copies of the “neutrality” agreement, which shows the UAW and VW “aligning” their media messages and working hand-in-glove to bring the UAW into the facility.

Despite this collusion, VW workers voted 712 to 626 against the UAW.

“UAW union bosses spent years pushing Volkswagen to hand over its employees via a ‘card check’ unionization drive,” said Mark Mix, President of the National Right to Work Foundation.

“Thanks to the efforts of a small group of independent-minded workers, the UAW was forced to submit to a secret ballot election, which it lost.”

“The outcome demonstrates how flawed ‘card check’ is,” continued Mix. “When the union’s claims of majority support were put to the test in a secret ballot election, a majority of workers rejected the UAW and voted to remain free of union monopoly bargaining.”

The UAW has since filed objections to the election with the NLRB. Foundation staff attorneys are moving to intervene in that process for several VW employees who support the election results. 

Long Island Teacher Wins Settlement after Union Pocketed Her Donations

Union scheme stiffed several New York charities that should have received contributions

SUFFOLK COUNTY, NY – With the help of National Right to Work Foundation staff attorneys, a Long Island teacher has reached a settlement with two unions after union officials kept in the union treasury dues she paid that were earmarked for charity.

Maureen Stavrakoglou, a teacher employed by the Brentwood School District, must pay dues to the Brentwood Teachers Association (BTA) union and its state affiliate, the New York State United Teachers (NYSUT) union, as a condition of employment. However, teachers with sincere religious objections to supporting a union can ask to have their union dues redirected to a mutually agreed-upon charity.

In 2005, the unions came to an agreement with Stavrakoglou that redirected all of her NYSUT dues to charity. After the agreement was finalized, Stavrakoglou asked union officials to redirect her dues for 2006-2007 to the Make-a-Wish Foundation. The BTA's president subsequently assured Stavrakoglou that her dues would be sent to the designated charities.

“Even in states that lack Right to Work laws, like New York, union offi-



Instead of redirecting a religious objector's dues to charities like the Make-a-Wish Foundation, teacher union officials kept her money in the union treasury.

“cials are required to make a good faith effort to accommodate religious objectors,” said Patrick Semmens, Vice President of the National Right to Work Foundation. “This time, however, union officials went back on their agreement almost immediately.”

Charities never received donations

From 2006 to 2013, Stavrakoglou designated a new charity each year as the recipient of her union dues. However, at least two of the charities she chose – The Cystic Fibrosis Foundation and the Now I Lay Me Down to Sleep

Foundation – never received a donation from the union under Stavrakoglou's name. A third charity, The NYC Firefighters' Burn Center Foundation, only received Stavrakoglou's donation after she called union officials to inquire about the status of her dues. After discovering that union officials were not following through on their promises, Stavrakoglou filed suit in Suffolk County Supreme Court in 2011.

Stavrakoglou's settlement requires the unions to make up for every missed donation from 2006 to 2013, plus interest, to the charities she designated. The NYSUT union is also required to assign a staff attorney to oversee the charitable payment process and ensure Stavrakoglou's future donations are made in a timely fashion.

“We're happy to report that Mrs. Stavrakoglou's donations will finally be honored,” continued Semmens. “However, this type of abuse will continue as long as unions are permitted to force employees to pay union dues just to get or keep a job. That's why New York needs a Right to Work law, which would make the payment of union dues strictly voluntary.” 

Civil Servants File Lawsuit against SEIU to Reclaim Dues Spent on Politics

California case builds on Foundation's landmark Knox v. SEIU Supreme Court victory

SACRAMENTO, CA – With the help of National Right to Work Foundation staff attorneys, seventeen California civil servants have filed a class-action lawsuit in U.S. District Court against the SEIU Local 1000 union. The lawsuit challenges the union's policy of requiring nonunion employees to affirmatively object to paying for union politics and asks that the SEIU be required to get employees' permission before deducting dues for political activism.

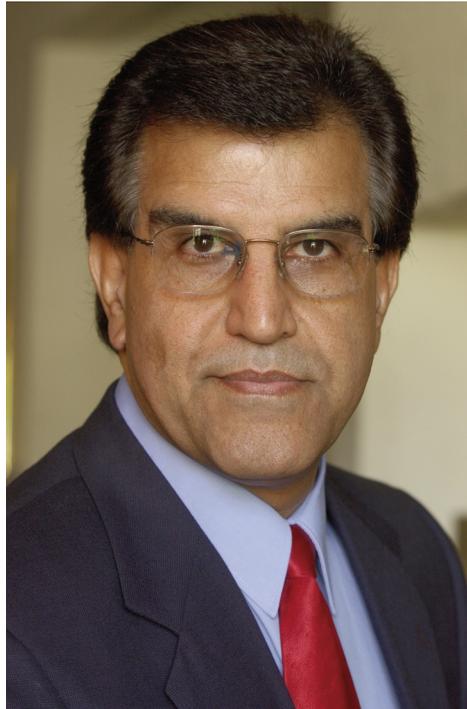
The lawsuit builds on the recent Foundation victory in *Knox v. SEIU Local 1000*, a landmark Supreme Court decision from 2012. In *Knox*, the Supreme Court held for the first time that a union should not have collected dues for a political spending campaign without nonmembers' affirmative consent.

"Only charge me with whatever expenditure has to do with collective bargaining," said Ken Hamidi, an employee of the California Tax Franchise Board and the lawsuit's lead plaintiff. "Whatever is beyond that, which is going to be political activity and all of the things that they do, special interests, whatever it is, has nothing to do with me."

Lawsuit challenges union collections racket

"*Knox* opened the door to correcting a longstanding injustice in federal labor law," explained Patrick Semmens, Vice President of the National Right to Work Foundation. "The Court held that union officials have to get employees' consent before collecting special assessments for politics, and we hope to expand that standard to cover all forced dues for every public employee in the country."

Although civil servants have the right to refrain from union membership,



Ken Hamidi (above) and sixteen other California civil servants are challenging a union policy that forces them to jump through hoops to stop paying dues for politics.

unions in non-Right to Work states often require them to object to dues payments unrelated to collective bargaining before they'll cease collecting full dues. The Foundation's lawsuit seeks to shift that burden from employees, whose paychecks and constitutional rights are at stake, to union officials, who would then be required to seek nonmembers' permission before collecting dues for politics.

SEIU 1000's current policy – which rigs the game in favor of the union by requiring nonunion employees to affirmatively object to union political spending – is emblematic of the problems with the current opt-out framework.

Although nonunion employees are supposed to receive notices informing them of their right to opt out of paying for union politics, several of the lawsuit's plaintiffs say they never received such

notices. Others were only notified after a union-designated window period for objecting to the payment of full dues had already expired.

Nonunion civil servants who did receive the notice in a timely fashion found that it downplayed employees' right to opt out. Information about refraining from paying dues for union politics was printed in small text and hidden below the union's more prominent pitch for full membership.

If any employees received a timely notice and were able to decipher the union's explanation of their right to refrain from paying full union dues, they then had to undergo an onerous, bureaucratic process to assert that right.

Union "opt-out" procedures discourage workers from asserting their rights

According to Foundation staff attorneys, SEIU 1000's cumbersome opt-out framework is the norm, not the exception, for nonunion workers. Union officials frequently erect bureaucratic hurdles to discourage independent-minded employees from cutting off dues for union politics.

"Union officials know that employees often lack the time and expertise to navigate their complex opt-out procedures," said Semmens. "Consequently, they use those procedures to ensure that workers who would otherwise refrain from supporting their political agenda keep paying full dues."

"Nonunion civil servants shouldn't have to navigate a burdensome opt-out procedure to assert their right to refrain from union politics," continued Semmens. "The courts should require union officials to get employee consent before deducting any dues for political activism." 

Tax Season Is Upon Us: Have You Thought About Your Financial Options?



The April 15th deadline looms and many National Right to Work Foundation supporters are considering all their tax-savings options with strategic financial planning.

The charitable IRA provision that allowed donors 70½ or older to make direct distributions up to \$100,000 per year to charities (like the Foundation) expired on December 31st, and it is now uncertain whether it will be extended in legislation either this year or in the future.

But, there are many other opportunities for you to explore today that can benefit you and reduce your tax hit, now and in the future!

Making the Right to Work Foundation a Beneficiary

There are many donors who will consider leaving a charitable bequest to the Foundation in their will and may not realize that they can also make a meaningful gift simply by naming the Foundation as the beneficiary of an IRA, 401(k), 403(b) or other retirement plan. Gifts arranged in this manner are generally easy to execute and do not require drafting or amending a will or living trust document. The Foundation may be named as a primary or contingent beneficiary on a form readily obtainable from your financial advisor or plan administrator. We do urge you to consult your tax advisor or estate planner before making any change to your retirement plan assets or estate plan.

Cost-Effective Ways to Reduce Your Tax Burden

In this age of fluctuating stock markets, job instability, and long-term economic uncertainty, reviewing your economic

and tax options is more important than ever. However, a number of ways to make tax-deductible gifts to the National Right to Work Foundation and its strategic litigation program remain certain.

Gifts of Cash: Cash, in the form of a check or credit card gift, is the most common method of making a charitable gift to the Foundation. Any gift of cash can reduce either regular or alternative minimum income taxes. Your actual savings depends on your tax rate and other factors.

Gifts of Stock: If you own stocks, mutual funds, or other securities that have increased in value since they were purchased and that you have held for more than a year, you may want to consider using them to make a charitable gift to the Foundation. Such securities are subject to a capital gains tax when they are sold. Gifts of stock may be deducted in amounts totaling up to 30 percent of your AGI limit.

Make Donations of Stock or Electronic Transfers of Securities to:

Bank of America, N.A.
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Reston, VA 20190
Routing (ABA) Number: 026009593
DTC# 5198
Account # 6550113516
FBO: National Right to Work
Legal Defense and Education
Foundation, Inc.
Foundation Account #86Q-04155

Long-Term Planned Gift

Many of our generous supporters express an interest in making a planned gift through charitable gift annuities. A Foundation Charitable Gift Annuity (CGA) is a contractual agreement in which payments (dispersed monthly, quarterly or yearly) are fixed and unchanged for the contract's term. A portion of the payments is considered to be a tax-free return of principal, which is spread in equal payments over the life expectancy of the annuitant(s). A minimum gift of \$10,000 or more will fund a Foundation Charitable Gift Annuity, and you must be 65 years of age or older to participate in this program. NOTE: Charitable Gift Annuities are not available in all states.

Partial Annuity Rates for 2014

Age 65 - Rate:	4.7%
Age 70 - Rate:	5.1%
Age 75 - Rate:	5.8%
Age 80 - Rate:	6.8%
Age 85 - Rate:	7.8%
Age 90 and over - Rate:	9.0%

In addition to charitable gift annuities, planned gift options include charitable remainder trusts and charitable lead trusts. We encourage you to begin early with your plan of action this year to provide for you and your loved ones and make a meaningful gift to your favorite charity, like the National Right to Work Foundation.

If you have any questions regarding a gift to the Foundation or a planned gift, or would like to make a gift of stock, please contact Ginny Smith at 1-800-336-3600. Thank you for your continued interest and support. Without your help, we couldn't fight for thousands of union-abused employees nationwide.

Organizing Deal Foiled

Florida worker's legal victory stands

HOLLYWOOD, FL – Thanks in part to Right to Work staff attorneys, a casino worker has fought off a backroom union organizing deal. Martin Mulhall recently withdrew his lawsuit, which went all the way to the Supreme Court, after union lawyers stopped trying to enforce the agreement he was challenging.

Mulhall was contesting a 2004 agreement between UNITE HERE Local 355 officials and Mardi Gras Gaming. Under the deal, union officials spent over one hundred thousand dollars on a gambling ballot initiative and guaranteed not to picket, boycott, or strike against Mardi Gras facilities.

In return, Mardi Gras agreed to give organizers employees' contact information and grant access to company facilities during a coercive "card check" organizing campaign, refrain from informing workers about the downsides of unionization, and not request a secret ballot election to determine whether employees unionized.

Mulhall filed a lawsuit challenging the organizing pact in 2008. Last December, the Supreme Court "dismissed as improvidently granted" a union appeal of the Eleventh Circuit Court of Appeals' ruling in *Mulhall*. The dismissal leaves intact the appeals court's ruling that the company's organizing assistance to union officials could be illegal under the Labor Management Relations Act. After the Court dismissed its appeal, UNITE HERE finally abandoned the organizing pact.

"Management shouldn't be allowed to turn over employees' personal information to union organizers, which is why the Eleventh Circuit's precedent is so vital," said Ray LaJeunesse, Vice President of the National Right to Work Foundation. "We're happy to report that Martin Mulhall's long legal battle has come to a successful conclusion." 



Message from Mark Mix

President
National Right to Work
Legal Defense Foundation

Dear Foundation Supporter:

Pam Harris and Susie Watts are just two Illinois mothers who want to care at home for their disabled adult children (who otherwise might have to be put in state institutions) and ensure that they live fulfilling and meaningful lives close to their friends and family.

In a true David versus Goliath battle, Big Labor bosses from the SEIU – as part of a corrupt political quid pro quo with disgraced former Governor Rod Blagojevich and later Governor Pat Quinn – want to make these mothers, and other home-based personal care providers like them, pay union dues to care for their children, siblings, friends, and neighbors out of the very money that is meant for those disabled adults' care.

Homecare providers, who are responsible for some of the most vulnerable members of our communities, should never be subjected to union interference in their homes or forced to pay union dues against their will.

Thanks to the courageous efforts of these mothers and several other Illinois personal care providers, the U.S. Supreme Court last month heard their challenge to the corrupt SEIU unionization scheme in what could be a landmark case expanding the workplace rights of all workers forced into government union ranks (See our front page story for more details).

This is why we fight.

The National Right to Work Foundation exists solely to educate and assist people from all walks of life and backgrounds who want to stand up and fight for their legal rights. Speaking for everyone here at the National Right to Work Foundation, it's a real honor to represent inspiring individuals like Pam Harris and Susie Watts, who only want to care for their children without union interference.

And I am thankful for generous supporters like you who make this all possible. Thank you.

Sincerely,

Mark Mix