



PROPOSED RULE WOULD PREVENT USE OF FEDERAL FUNDS TO OPPOSE UNION ORGANIZING

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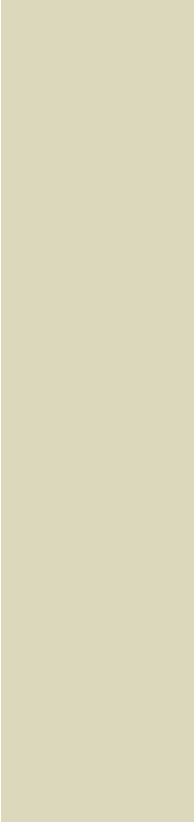
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On April 13, 2010, the Department of Defense issued a proposed regulation on "Labor Relations Costs." In its current form, this proposed regulation would prevent federal contractors and subcontractors from using federal funds to persuade their employees, or the employees of any other entity, to join or not join a union.

The proposed regulation specifically prohibits the use of federal funds to do any of the following:

1. Prepare and distribute materials designed to persuade employees to join or not join a union;
2. Hire legal counsel or consultants to provide advice intended to persuade employees to join or not join a union;
3. Hold meetings with employees addressing the topic of union organization, including payment of the salaries or wages of the employees attending these meetings; and
4. Plan or conduct activities by managers, supervisors, or union representatives during working hours.

Under the proposed rule, it is not clear if the Department of Defense would need to prove a violation has occurred or if the burden would be on federal contractors to prove that no federal funds were used for any of these purposes.



The Department of Defense is accepting comments on the proposed rule through June 14, 2010. The U.S. Chamber of Commerce already has voiced its opposition to this rule. Any interested company or organization can post comments to this rule on the Federal eRulemaking website, or submit comments via fax or regular mail.

If you have any questions about this proposed rule, or how your organization could submit a comment, please contact John Murray at Lindner & Marsack, S.C., (414) 414-226-4818 or jmurray@lindner-marsack.com

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