Newsletter

Top Five Labor Law Developments for February 2025

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- A federal judge for the District of Columbia held President Donald Trump's termination of National Labor Relations Board Member Gwynne Wilcox violated the National Labor Relations Act; Wilcox's reinstatement restores Board quorum. Wilcox v. Trump and Kaplan, No. 1:25-cv-00334 (D.D.C Mar. 6, 2025). The decision stems from President Trump's removal of Wilcox as a Board member prior to the expiration of her term. In her lawsuit, Wilcox argued her unprecedented removal violated the Act, which allows the president to remove Board members only in cases of "neglect of duty or malfeasance in office, but for no other cause," and only after "notice and hearing." Wilcox cited for support the U.S. Supreme Court's 1935 decision in *Humphrey's Executor,* in which the Court upheld the constitutionality of for-cause removal protections for federal agency leaders. The Trump Administration filed a Notice of Appeal with the D.C. District Court shortly after the judge's decision. In the meantime, Wilcox's return restores the Board's three-member quorum, and it can resume issuing decisions.
- 2. Acting Board General Counsel (GC) William Cowen issued a memorandum rescinding dozens of former GC Jennifer Abruzzo's enforcement initiatives. GC Memo 25-05. The memo signals Cowen's intention to undo many of Abruzzo's policies, including those related to protected concerted activities, settlement agreements, and employment agreement provisions like "stay-or-pay" provisions. While GC memos do not reverse Board decisions, the memo indicates the GC will interpret the law and act in a manner more favorable to employers' interests. The memo also aims to address the Board's unsustainable case backlog, largely due to the prior administration's expansive enforcement priorities. Overall, GC Memo 25-05 impacts 31 GC memos issued between 2021 and 2025. It is likely the Board's regional offices will no longer prosecute cases seeking to overturn longstanding Board law in favor of more employee-friendly standards.
- 3. The U.S. Senate confirmed Trump's nominee for the U.S. Department of Labor (DOL) Secretary – former U.S. Representative Lori Chavez-DeRemer – by a 67-32 vote. Chavez-DeRemer's nomination faced criticism from business groups and Republican lawmakers due to her previous support for the Protecting the Right to Organize (PRO) Act, which would significantly expand union organizing rights if passed. However, Chavez-DeRemer backtracked on her support for the PRO Act during the Senate Health, Education, Labor, and Pensions Committee hearing. Chavez-DeRemer has since committed to preserving states' right-to-work laws and protecting independent contractor and franchise models.

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- 4. The International Longshoremen's Association (ILA) ratified a six-year contract with the U.S. Maritime Alliance (USMX), with almost 99 percent of members voting in favor of the agreement. The contract provides job guarantees amid concerns that automated technology would replace many union jobs. It also provides a 62 percent pay raise that was agreed to prior to a three-day strike in October 2024. Both parties previously praised President Trump for his assistance in helping the parties reach an agreement. The contract, which covers approximately 45,000 workers, will be effective through Sept. 30, 2030. Ratification also prevents another port strike that would have disrupted the nation's supply chain.
- 5. The Board issued a "Return to Office Policy" requiring workers to return to the office full-time by March 31, 2025, according to a letter obtained by Law360. The Board cited guidance from the Office of Personnel Management and a recent Trump memorandum as the basis for the decision. Exceptions to the policy include accommodations under the Rehabilitation Act and temporary medical conditions. The policy has sparked backlash from the unions representing Board workers, including the NLRB Professional Association, which argue the policy violates their collective bargaining agreements. Acting GC Cowen recently stated that, while he will do what he can to prevent a reduction in the Board's staff, the Agency is not immune from layoffs.

Please contact an attorney at Jackson Lewis if you have any questions about these developments.

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