



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

February 5, 2020  
(House Rules)

## STATEMENT OF ADMINISTRATION POLICY

### H.R. 2474 — Protecting the Right to Organize Act

(Rep. Scott, D-VA, and 218 cosponsors)

The Administration opposes H.R. 2474, the Protecting the Right to Organize Act. The Administration supports the rights of workers to freely join a union. In fact, under President Trump, on average over 250,000 more Americans are members of a private-sector union than under President Obama. This growth has been driven, in part, by the tremendous strength of the Trump economy. The Administration is willing to work with Congress to strengthen protections for union members. Unfortunately, H.R. 2474 contains provisions that would kill jobs, violate workers' privacy, restrict freedom of association, and roll back the Administration's successful deregulatory agenda.

H.R. 2474 would hurt workers in several ways. First, the bill would kill jobs and destroy the gig economy. It appears to cut and paste the core provisions of California's controversial AB 5, which severely restricts self-employment. AB 5 is actively threatening the existence of both the franchise business sector and the gig economy in California. It would be a serious mistake for Congress to impose this flawed job-killing policy on the entire country. Additionally, H.R. 2474's job-killing effects could be even greater, as it would empower third-party arbitrators to impose collective bargaining agreements. Involuntary contracts that do not work for employees or their employers could force layoffs or even bankruptcies—ultimately, harming workers.

Second, H.R. 2474 would violate workers' privacy. It would require companies to give union organizers their employees' home addresses, personal phone numbers, and personal e-mail addresses, and it also would allow unions to bypass secret-ballot elections. Secret ballots protect workers from both employer and union coercion, and the Administration believes voting privacy should be protected.

Third, H.R. 2474 would also restrict workers' freedom of association. It abolishes State right-to-work laws, and would thereby make union dues compulsory nationwide. Additionally, the bill would legalize "secondary boycotts," which Congress previously banned because they pressure workers to join a particular union. And it would rush union elections, depriving employees of time to make a considered choice. The Administration is willing to discuss legislation clarifying that unions do not need to represent workers who do not pay dues. But it believes that workers' decisions to join and support a union should be the product of choice, not compulsion.

Finally, by imposing unnecessary and costly burdens on American businesses, this bill would take the country in precisely the opposite direction from the President's successful deregulatory agenda, which has produced rising blue-collar wages and record low unemployment. For

example, by expansively defining joint employer liability, the bill would discourage investment and job creation and reduce opportunities for workers.

If H.R. 2474 were presented to the President in its current form, his advisors would recommend that he veto it.

\* \* \* \* \*