



Labor and Employment *ALERT*

Current Law Developments and Legal Issues

That May Affect You Or Your Business

Lafayette Shreveport

February 2, 2009

PRESIDENT OBAMA SIGNS THREE (3) LABOR-FRIENDLY EXECUTIVE ORDERS AFFECTING FEDERAL CONTRACTORS

On Friday, January 30, 2009, President Obama signed three executive orders affecting federal contractors.

The first Order requires federal contractors and their subcontractors to post workplace notices, the form and content of which are to be developed by the Secretary of Labor, informing employees of their rights under federal labor laws, including their rights under the National Labor Relations Act. The Secretary of Labor is directed to begin the rulemaking process within 120 days regarding the form and content of the notice. The Order revokes Executive Order 13201 issued by President Bush in February 2001, which required federal contractors to post workplace notices informing employees of their right not to join a union and to not pay agency fees for nonrepresentational union expenditures.

The second Order involves service contracts with the federal government, and provides that when a service contract expires and another contractor is awarded the contract to perform the same service, it must provide the right of first refusal to the predecessor's employees for jobs for which they are qualified. There will be exceptions, and the heads of departments and agencies will be authorized to grant exemptions. This Order revokes a Bush Executive Order, which revoked a Clinton Executive Order, requiring successor contractors for services in federal buildings to offer a right of first refusal of employment to employees of the prior contractor.

The third Order forbids the payment with federal funds of costs of any activities undertaken to persuade employees, whether directly employed by the federal contractor or any other entity, to exercise or not to exercise, or concerning the manner of exercising, the right to organize and bargain collectively through representatives of the employees' own choosing. However, allowable costs will include those incurred in maintaining satisfactory relations between the contractor and its employees, including the costs of labor-management committees, neutral employee publications, and other related activities. The Order does state that it shall not interfere with the ability of federal contractors to engage in advocacy through activities for which they do not claim reimbursement.

Not surprisingly, Obama received high praise from officials of organized labor and Democratic leaders, and criticism from the U.S. Chamber of Commerce

[Important Links](#)

[Newsletter](#)

Read full text of the Onebane newsletter on our web site.

[The Onebane Firm](#)

See our complete web site for other information.

[Questions](#)

About this news item? E-mail guidryg@onebane.com or call him at (337) 237-2660.

and other business organizations.

Greg Guidry

To Unsubscribe to this email, click on the link below. Thank you.

[Unsubscribe to *Alert*](#)