

### FAQ: Right-to-Work States

June 26, 2017

### What are right-to-work states?

Right-to-work states prohibit "union security" clauses in collective bargaining agreements. Without union security clauses, non-union employees are allowed to work in union-protected positions (and receive union benefits) without having to join the union or pay union dues.

#### What is a union security clause?

A union security clause is an agreement between an employer and a union that requires employees to obtain and maintain union membership as a condition of continued employment. Union security agreements are intended to protect the union from the cost of non-members who receive union benefits by either requiring union membership or by requiring payment of fees for the union's representational services and administration of the collective bargaining agreement.

#### Does the Location of the work performed matter?

Yes, the location of the work involved is important for determining if a state's right-to-work law applies. The U.S. Supreme Court has held that right-to-work laws can't void agreements with union security clauses when the employees covered by the agreement perform most of their work outside of the right-to-work state.

#### Is there a federal right-to-work law?

Not at this time.

### Can cities or counties enact local right-to-work laws?

It depends on where the work is being performed because regional courts are divided. On the one hand, a Seventh Circuit Court (which covers the states of Illinois, Wisconsin and Indiana) ruled on January 7, 2017 that cities and counties cannot enact local right-to-work laws. The court determined that permitting local community governments to regulate labor agreements and union dues collections would result in a patchwork scheme that was not intended by lawmakers in enacting federal labor laws. On the other hand, the Sixth Circuit Court of Appeals (which covers the states of Kentucky, Michigan, Ohio and Tennessee) ruled that federal law does not prohibit cities or counties from passing their own right-to-work ordinances.

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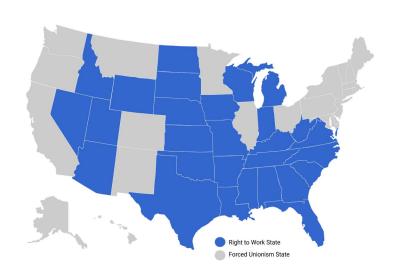


### Does a non-member working in a right-to-work state participate in the National Benefit Fund (NBF) plans?

Yes. For example, if a non-member is hired in Georgia for work typically performed by a member, and the production is operating under an IATSE agreement that requires contributions to the NBF, the non-member will be eligible to be covered by NBF plan policies.

### Which states are right-to-work states?

State
Alabama
Arizona
Arkansas
Kansas
Florida
Georgia
Idaho
Indiana
lowa
Kentucky
Louisiana
Michigan
Mississippi
Missouri
Nebraska
Nevada
North Carolina
North Dakota
Oklahoma
South Carolina
South Dakota
Tennessee
Texas
Utah
Virginia
West Virginia
Wisconsin
Wyoming



### Which states most recently passed right-to-work legislation?

On February 6, 2017, Missouri became the 28th right-to-work state. The bill will go into effect on August 28, 2017. On January 9, 2017, Kentucky Governor Matt Bevin signed into law a bill that made Kentucky a right-to-work state. The law took effect immediately.

## Are there any states close to passing right-to-work legislation?

As of February, 2017, lawmakers in New Hampshire are considering measures.

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# Which states require employers to notify an employee that they are working in a right to work state?

North Carolina, North Dakota, South Carolina, and Tennessee.

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