

People Results *Alert*

THE FASTER LABOR CONTRACTS ACT: WHAT EMPLOYERS NEED TO KNOW

The Faster Labor Contracts Act has passed the U.S. House and has moved to the Senate, where it has been referred to the Health, Education, Labor, and Pensions Committee. There is currently no timeline for the bill to advance or for a Senate floor vote.

If it becomes law, employers would be required to begin bargaining with a union within 10 days of the National Labor Relations Board certifying the result of a representation case (RC) election, move unresolved first-contract negotiations into **mediation after 90 days**, and potentially proceed to **binding arbitration if mediation does not produce agreement within 30 additional days**.

According to *Bloomberg Law*, the average certification to ratification timeline for a first contract is 465 days. This legislation would dramatically expedite the negotiations process and prohibit the thorough and thoughtful preparation and discussion necessary to negotiate a labor contract that would govern employee relations and operations for the years-long contract term.¹

Potential impact on your organization

- **Compressed bargaining timelines.** Employers would have less time to prepare bargaining strategy, costing models, operational analyses, communications plans, and training before negotiations begin.
- **Reduced leverage.** Employers may have fewer opportunities to appropriately pace negotiations while assessing the operational, financial, and legal implications of union proposals during first-contract bargaining.
- **Increased uncertainty.** Arbitrated agreements could affect contractual commitments with limited consideration for long-term operational realities.
- **Earlier preparation and disciplined documentation.** Organizations may need to move labor preparedness efforts earlier if disputes move into mediation or arbitration.
- **Organizing momentum.** Unions may view a faster path to first contracts as reducing a barrier to organizing, which could increase union momentum and create urgency for employer readiness.

What employers should do now

Employers should reassess whether their current labor readiness model assumes too much time between certification and a first contract. If the law comes into force, preparation must begin earlier and move faster.

How People Results can help

People Results helps employers respond to fast-moving labor developments with practical labor relations strategy, readiness assessments, leadership training, communication planning, and bargaining support. Specific services include:

- Executive briefings to help leadership understand the Faster Labor Contracts Act.
- Labor relations readiness assessments, supervisor training, and rapid-response planning.
- Bargaining strategy support, costing analysis, and documentation planning.
- Internal and external communication strategy, leadership alignment, and stakeholder messaging.
- Operational planning support to evaluate the impact of potential contract terms.

Connect with us

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¹Combs, R. "Now It Takes 465 Days to Sign a Union's First Contract: Analysis." *Bloomberg Law*. 2 Aug. 2022.