

Statement by Culinary Union Local 226 in support of PRO ACT

Culinary Workers Union Local 226's experience organizing at Station Casinos' properties in Las Vegas forcefully illustrates why Congress needs to strengthen remedies under the NLRA for employer unfair labor practices. Even as Station Casinos has repeatedly promised to respect its employees' choice on unionization, it has cemented its legacy as the worst labor law violator in Nevada history. The question is whether the NLRB can do anything to stop it.

Culinary first went public with efforts to organize Station Casinos in 2010. Station responded with a campaign of illegal firings, interrogations, surveillance, threats and promises of benefits drawn straight from the union-buster playbook. The NLRB responded in the limited way that it can: it issued a cease-and-desist order directing the company not to violate the law.

Culinary initially campaigned for a cardcheck neutrality agreement because of the delay associated with NLRB elections. But with the promise of more expeditious procedures under the Obama administration, Culinary gave Board elections a try. Station had claimed it would respect employees' choice in an election. Culinary would test that promise, and it turned out to be a lie.

After the Union easily won its first election at Boulder Station in September 2016, it set its sights on Palace Station. But no sooner had the celebration over the Boulder win subsided did Station unleash its illegal counteroffensive. It lowered the cost of family medical coverage and made employee-only coverage free everywhere except Boulder Station, where it claimed that the union's win prevented it from doing so. It then engaged in a massive promise-of-benefits campaign with Palace workers, allowing it to squeak out a three vote win in an election held in October 2016. The Union filed unfair labor practice ULP charges, and with the NLRB's general counsel prepared to seek a bargaining order, Station settled and recognized the union at Palace. Again, it promised to respect the law. Again, it lied.

Over the next two years, the Union had a string of election victories, winning at Green Valley Ranch in November 2017, at Palms in April 2018, at Fiesta Rancho in June 2019, at Sunset Station in June 2019, and at Fiesta Henderson in August 2019. In response, Station did what employers do when unable to sway employee choice: it pursued meritless legal challenges to the elections at Green Valley Ranch and Palms that took years to resolve. Meanwhile, where Station did bargain, the process was ineffectual. Refusing to reach any deals at the table, Station maintained a website that boasted a running tally of how days had passed without a deal.

Following the win at Fiesta Henderson, the Culinary Union set its sight on Station's crown jewel: Red Rock Resort & Spa. It filed a petition for an election there in November 2019. Clearly aware that it could not win by playing legally, Station unleashed another illegal promise-of-benefits campaign that included free family health care, an on-site medical clinic, an improved 401(k) program, and other improvements designed to deter employees from supporting the union. The day after the union filed the election petition, Senior Vice President of HR Phil Fortino told Station's COO Bob Finch: "We need to announce ASAP new programs." A couple days later, he predicted to a crony that "[t]he free health care and company paid 401k is going to devastate the union."

Station's illegal campaign of benefits had the desired effect: a majority of Red Rock workers voted against unionization, fearful to lose what Station had doled out. So egregious was Station's conduct that the NLRB regional director sought an injunction requiring Red Rock to bargain with the union. A federal judge ruled in July 2021 that "Red Rock's grant of benefits likely thwarted the Union's majority status and was so outrageous that it undermined the fairness of future elections." An administrative law judge has since issued a report finding Red Rock guilty of widespread ULPs. The case is now under review by the NLRB.

But even as the General Counsel was litigating Station Casinos' conduct at Red Rock, the company was committing new violations of the law. On May 1, 2020, without notifying the union, Station announced that it was closing four facilities indefinitely and firing all employees there immediately. It also announced it was closing six other facilities temporarily while firing part-time and on-call employees immediately. It subsequently used the dislocation caused by COVID 19 to orchestrate withdrawal-of-recognition campaigns at Boulder Station and Palace Station. In August 2020, COO Finch wrote owner Lorenzo Fertitta: "Lorenzo, wanted to give you the good news. Boulder decertification is complete. They received all the signatures needed. Phil will notify Union tomorrow." In September 2020, the Palace General Manager David Horn wrote "I got the decertification of the Union completed. We submitted to them yesterday."

In April 2021, the NLRB's General Counsel issued a complaint alleging that Station engaged in a scheme to use employee layoffs during the COVID-19 pandemic to undermine its unions and to illegally withdrawal recognition at Boulder and Palace Station. The hearing in the case has bogged down: the General Counsel was compelled to go to federal court to enforce a subpoena after Station engaged in what the administrative law judge described as a "contumacious" failure to provide subpoenaed documents. Thus, almost two years since the withdrawal of recognition at Palace Station, no witness has yet been called and the case likely remains years away from being resolved.

Station leverages delay and weak remedies under the NLRA to gain an advantage in its effort to break the union. Although employees have overwhelmingly expressed their support for unionization, they are no closer today to a collective bargaining agreement than they were in 2010. Congress must pass the PRO Act to give the NLRB the enforcement tools it needs.