Employees deserve to hear from their employers during unionization campaigns, and employers need flexibility to protect their employees during and after the COVID-19 crisis.

Subsections (3) (D) (IX) and (X) of Sec. 4003 of the Coronavirus Economic Stabilization Act of 2020 require mid-sized businesses (employers with 500 to 10,000 employees) taking loans under the section to make a good faith certification that they “will not abrogate existing collective bargaining agreements for the term of the loan and 2 years after completing repayment.” It also requires that employers without unions “remain neutral in any union organizing effort for the term of the loan.”

These provisions have nothing to do with protecting the health of employees or the economic stability of workers and their mid-sized employers.

Further, the neutrality provision may infringe on the First Amendment rights of employers to speak about unionization, as well as 29 U.S. Code § 158 (c), which protects an employer’s “expression of views” on unionization.

The Federal Reserve should interpret these provisions narrowly to ensure, to the fullest extent possible, that an employer’s freedom of speech is protected and that employees have a right to make a fully informed decision on unionization, as well as ensuring employer flexibly to the full extent of the law.