



June 17, 2021

Contact:

Vanessa Sink, vsink@restaurant.org

Restaurant Law Center and New York State Restaurant Association Sue City of New York for "Just Cause" Law

Washington, D.C. – The Restaurant Law Center and the New York State Restaurant Association are suing the City of New York for the unjust precedent being set with the "Just Cause" laws approved by the city. Under the new laws set to take effect on July 5, 2021, the City of New York has eliminated at-will employment—a standard in place for over one-hundred years.

"The laws put small business owners in New York, who are just beginning to recover from the financial challenges of COVID-19, in a difficult position moving forward with employment and recovery efforts," said **Angelo Amador, Executive Director of the Restaurant Law Center.** "Rather than pursue an established path to unionization under the National Labor Relations Act, the Service Employees International Union (SEIU) has chosen to do an end-run around federal labor standards. Through the City Legislature, SEIU seeks to overturn the state's longstanding doctrine of at-will employment, and, instead, impose onerous procedural rules that go to the heart of collective bargaining agreements in unionized workforces."

The laws target a small subset of a single industry, prohibiting only certain restaurant owners from discharging or reducing at least 15% of an employee's hours except for "just cause" or a "bona fide economic reason." This targeted subset of employers will be required to first provide "progressive discipline," imposed only after an investigation process that can be second-guessed in court, at an administrative proceeding, or by an arbitrator into the employee's misconduct, all subject to stringent record-keeping requirements.

"During a global pandemic—which we are still experiencing now—the City moved to eliminate the ability of some restaurants, including some small business owners affiliated with chains, to make personnel decisions and efficiently manage their own workforce," said **Melissa Fleischut**, **President and CEO of the New York Restaurant Association**.

The Just Cause laws are the result of a joint effort of City council members and representatives of the SEIU, a union with over 2 million members—to unionize through state legislation, rather than through proper, federally-endorsed methods under the NLRA, according to the Restaurant Law Center.

Read the full complaint here.





About the Restaurant Law Center

The Restaurant Law Center is an independent 501(c)(6). The Center's goal is to promote pro-business laws and regulations that allow restaurants to continue growing, creating jobs and contributing to a robust American economy. The Center is the voice of America's restaurants in the courtroom advancing the policy interests of the industry.

About NYSRA

Since 1935, the New York State Restaurant Association (NYSRA) has been giving restaurateurs the power to succeed. NYSRA works to further the business interests of restaurant owners and to provide valuable support services to members. Together we are shaping the future of the restaurant industry.