



Charles Crain
Managing Vice President, Policy

June 2, 2026

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Re: Manufacturers Oppose the Faster Labor Contracts Act (H.R. 5408)

Dear Speaker Johnson and Leader Jeffries:

On behalf of the National Association of Manufacturers, the largest manufacturing association in the United States, representing manufacturers in every industrial sector and in all 50 states, I write in opposition to H.R. 5408, the Faster Labor Contracts Act (FLCA). This legislation would upend a century of labor law, harm trust and good faith bargaining between employers and employees, silence workers, and diminish the mutual respect and cooperation necessary to establish a first collective bargaining contract.

Manufacturers understand that markets promote competitive wages, that equality of opportunity is essential, and that equal work should earn equal pay. Similarly, manufacturers believe that workers should be guaranteed the freedom to associate or not associate with a labor organization without fear of intimidation or coercion. Labor relations should be conducted in a spirit of cooperation and mutual respect. Employees, unions, and employers all have a vital stake in maintaining safe, productive, and competitive workplaces.

The FLCA undermines the cooperation and bargaining process essential to fostering a fair and competitive workplace. Under the FLCA, manufacturers and labor unions would be provided only 90 days to reach an agreement on the first contract. If this deadline is not met, the two sides would be forced into compulsory third-party contract arbitration. The resulting contract would be binding for two years, unchallengeable by either party, and would not require an employee ratification vote. American labor law has never imposed binding interest arbitration on private-sector first contracts.

While the FLCA seeks to address the speed at which first contracts are formed, it fails to provide equal treatment to both parties in a negotiation, as one side can simply refuse to negotiate within the 90-day window and seek to receive more favorable contract terms in forced arbitration. Specifically, once the timeline expires, the third-party arbiter would form a contract based on an amalgamation of the contents and structure of contracts from "similar" businesses rather than the actual business' structure and financial capabilities. Ultimately, small and medium-sized manufacturers without the financial capabilities to support large and unsustainable contracts will face serious negative consequences from such a prescriptive legal structure.

The FLCA further contradicts the fundamental principles that the National Labor Relations Act (NLRA) was built upon. For instance, the FLCA completely eliminates a worker's right to vote for ratification of a contract if the deadline of 90 days is not met. The arbiter's decision is final and binding for two years, without a ratification vote by all employees, and provides no possibility to

challenge the results. The FLCA strips away the voices of the employees and may result in a contract they would never have agreed to otherwise.

Additionally, the NLRA states that the government can require good-faith effort in coming to an agreement on a first contract but cannot dictate the outcome.¹ The FLCA would do just that. Government-mandated contracts on the private sector eliminate the mutual consent essential to good faith bargaining.

Manufacturers in America are concerned with the FLCA's disregard for the cooperation and mutual respect necessary for successful collective bargaining. Labor law should seek to bolster the relationship between employers, employees, and organized labor rather than give one party an unreasonable advantage. The NAM opposes efforts to mandate compulsory arbitration and urges Congress to vote no on the FLCA, as it hurts workers' rights, employee-employer relations, and manufacturing competitiveness in the U.S.

Sincerely,

A handwritten signature in black ink that reads "Charles F. Crain". The signature is written in a cursive, slightly slanted style.

Charles Crain
Managing Vice President, Policy

¹ 29 U.S. Code § 158(d)