

## [Failure to Pay Union Dues is Willful Misconduct under Pennsylvania Unemployment Compensation Law](#)

August 23, 2010 by [Adam Santucci](#)

In the recent case of [Anderson Equip. Co. v. Unemployment Comp. Bd. of Review, 994 A.2d 1192 \(Pa. Commw. Ct. 2010\) \(pdf\)](#), the Commonwealth Court of Pennsylvania examined whether an employee engages in willful misconduct when he fails to pay union fees and dues in violation of his employer's collective bargaining agreement (CBA). The court held that the employee engaged in willful misconduct by failing to pay his union dues and that the employee did not have good cause for his misconduct. Thus, the court found that the employee was not entitled to unemployment benefits.

The CBA between the employer and the union required all employees to be members of the union, and prohibited the employer from employing non-union members for more than 90 days. The employee in *Anderson Equip. Co.* failed to join the union because he claimed he did not have the money to pay the union initiation fees and union dues. The employee attempted to work with the union to establish a payment plan, but was unsuccessful. After several months and several warnings, the employer fired the employee for his failure to secure his union membership.

Under the [Pennsylvania Unemployment Compensation Law](#), an employee is not eligible for unemployment compensation benefits if he or she is discharged for willful misconduct. Willful misconduct includes a disregard for the employer's interest, a deliberate violation of work rules, the disregard of standards of behavior expected of employees, or a substantial and intentional disregard for the employer's interest or the employee's duties and responsibilities. If the employer proves that the employee engaged in willful misconduct by deliberately violating a work rule, the employee can attempt to establish good cause for the violation. Good cause is established if the employee acted justifiably and reasonably under the circumstances.

In *Anderson Equip. Co.*, the primary issue was whether the employee's inability to pay the fees and dues was good cause for violating the work rule. The court found that the employee's inability to pay the fees did not constitute good cause because the former employee could have saved the necessary money during his 90 day probationary period. The court held that the employee had advanced notice of the need to pay the fees and dues, but he decided instead to violate the rule by not paying to join union. Because his inability to pay the fees was not justification for his violation of the rule, the employee was not eligible for unemployment benefits.

This case provides a good summary of the rules associated with willful misconduct under the [Pennsylvania Unemployment Compensation Law](#) in conjunction with union membership issues.

The case also provides some positive news for employers who may find themselves between a rock and a hard place when forced to discharge employees who fail to pay their union fees and dues.

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