



NATIONAL MEDIATION BOARD
WASHINGTON, DC 20572

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In the Matter of the
Application of the

ELSA VERAS

alleging a representation dispute
pursuant to Section 2, Ninth, of
the Railway Labor Act, as
amended

involving employees of

G2 SECURE STAFF

48 NMB No. 2

CASE NO. R-7554
(File No. CR-7212)

FINDINGS UPON
INVESTIGATION-
DISMISSAL

October 29, 2020

This determination addresses the application of Elsa Veras (Veras or the Applicant) alleging a representation dispute pursuant to the Railway Labor Act (RLA), 45 U.S.C. § 152, Ninth (Section 2, Ninth)¹, among “Cleaners and Drivers” employed by G2 Secure Staff (G2 or the Carrier) at LaGuardia Airport in New York (LGA).² At the time this application was received these employees were represented by Service Employees International Union, 32BJ (SEIU) pursuant to a voluntary recognition agreement with the Carrier.

For the reasons set forth below, the Board concludes that the appropriate system for employees covered by the application includes all of G2’s operations nationwide and is not limited to its operations at LGA. The Applicant has failed to meet the showing of interest requirement for the appropriate system, and therefore, the application is dismissed.

¹ 45 U.S.C. § 151, *et seq.*

² Veras’ application seeks to decertify SEIU as the representative of the “Cleaners and Drivers” employed by G2 at LGA. However, the SEIU has never been certified by the National Mediation Board as the representative of those employees.

PROCEDURAL BACKGROUND

On March 18, 2020, Veras filed an application seeking to decertify SEIU as the representative of “Cleaners and Drivers” employed by G2 at LGA.³ The application was assigned NMB File No. CR-7212 and John S.F. Gross was assigned as the Investigator.

On July 13, 2020, SEIU filed its initial position statement, with supporting documents. On July 15, 2020, the Carrier filed an initial position statement, supporting documents, and a List of Potential Eligible Voters (List) as of March 12, 2020, the last day of the last payroll period prior to March 18, 2020.⁴ The Carrier also submitted signature samples of employees on the List.

On July 27 and 29, 2020, Investigator Gross requested additional information from the Carrier, and the Carrier supplied the information on August 12, 2020. The additional information included a list of all G2 employees covered by the current G2/SEIU collective bargaining agreement (CBA), including the employees at LGA, and a system-wide list of all G2 employees employed in the job classifications covered by the application.

The Applicant did not submit any additional information in support of her application, or a response to the initial position statements or other information submitted by the Carrier and SEIU.

ISSUE

What is the appropriate system for employees covered by the application?

³ On December 11, 2018, Ms. Veronica Salazar filed a petition with Region 29 of the National Labor Relations Board (NLRB) seeking a deauthorization election in the bargaining unit of G2 employees represented by SEIU at LGA. On June 12, 2019, after conducting a hearing, the NLRB referred the case to the NMB for an advisory opinion regarding whether G2’s operations at LGA are subject to the RLA. (The Applicant appeared and participated in the NLRB hearing on Ms. Salazar’s behalf.) On September 3, 2019, following an investigation, the NMB determined that G2’s operations and employees at LGA are subject to the RLA. *G2 Secure Staff, LLC*, 46 NMB 83 (2019).

⁴ The List includes only G2 employees represented by SEIU at LGA.

CONTENTIONSG2

The Carrier contends that the RLA requires system-wide representation, that the scope of its system is nationwide, and that the Applicant cannot establish that its operations at LGA comprise a separate system for representation purposes under the Act. The Carrier asserts that, setting aside the impropriety of the claimed craft or class of “Cleaners and Drivers” under the RLA, to the extent the application is supported by a showing of interest from only those SEIU-represented employees at LGA, the Applicant cannot satisfy the Board’s showing of interest requirement for a nationwide system; and that, therefore, the application must be dismissed.

SEIU

SEIU also contends the scope of G2’s system is nationwide, and that the Applicant is seeking an election in a single-airport unit limited to “cleaners and drivers” employed at LGA, which is an inappropriate craft or class under the RLA. It further contends that the (cabin) cleaners and (lavatory/water) drivers are included in the fleet service job class, and that the appropriate craft or class for those employees at G2 is a combined fleet and passenger service group. SEIU asserts that, given the proper craft or class of Fleet and Passenger Service Employees and the Carrier’s nationwide system, the Applicant likely lacks the necessary 50 percent showing of interest to support her application, and the application should therefore be dismissed.

FINDINGS OF LAW

Determination of the issues in this case is governed by the RLA, as amended, 45 U.S.C. § 151, *et seq.* Accordingly, the Board finds as follows:

I.

45 U.S.C. § 151, First, includes within the definition of a carrier “any company which is directly or indirectly owned or controlled by or under common control with any carrier.” G2 has been found to be a common carrier as defined in 45 U.S.C. § 151, First, and § 181 of the Act. *G2 Secure Staff, LLC*, 46 NMB 83 (2019).⁵

⁵ No participant contests G2’s status as a carrier under the Act.

II.

SEIU is a labor organization and/or representative as defined in 45 U.S.C. § 151, Sixth, and § 152, Ninth.

III.

45 U.S.C. § 152, Fourth, gives employees subject to its provisions, "the right to organize and bargain collectively through representatives of their own choosing. The majority of any craft or class of employees shall have the right to determine who shall be the representative of the craft or class for purposes of this chapter."

IV.

45 U.S.C. § 152, Ninth, provides that the Board has the duty to investigate representation disputes and to designate who may participate as eligible voters in the event an election is required.

STATEMENT OF FACTS

G2 is an airline service company that provides various passenger services to air carriers at 69 locations throughout the United States, including a number of major international airports. On its website, <https://www.g2securestaff.com/company-history>, the Carrier states as follows:

G2 Secure Staff, LLC employs over 6,000 aviation service professionals at 54 top traveled airports across the United States. We provide a wide range of aviation service solutions, including Terminal Security, Aircraft Appearance, Ramp, Passenger Service, Cargo and Maintenance services.

The Carrier also details on its website the variety of services it provides under each of the above categories. Under "Ground Handling" the Carrier lists the following services: Aircraft Ground Handling and Ramp Services, Air Mail Transfer, Aircraft Cleaning, and AC Lavatory and Water Services. <https://www.g2securestaff.com/services/>.

With specific regard to aircraft cleaning and lavatory and water services (the services performed by the LGA employees covered by the application), the Carrier currently employs employees performing those services at the following U.S. locations: LGA, Newark Liberty Airport (EWR), Boston Logan Airport (BOS), Los Angeles International Airport (LAX), Seattle-Tacoma International

Airport (SEA), Portland International Airport (PDX), Minneapolis-St. Paul International Airport (MSP), Salt Lake City International Airport (SLC), Houston Intercontinental Airport (IAH), Indianapolis International Airport (IND), Oakland International Airport (OAK), Dallas-Fort Worth International Airport (DFW), Detroit Metropolitan Airport (DET), Knoxville, Tennessee (TYS), San Jose, California (SJC), Milwaukee Mitchell International Airport (MKE), Fort Myers, Florida (RSW), Des Moines International Airport (DSM), Charleston International Airport (CHS), Flint Bishop Airport (FNT), West Palm Beach, Florida (PBI), Dallas Love Field (DAL), and Vail, Colorado (EGE).⁶

G2's Nationwide Operation

G2's operations, administrative and management functions (including payroll, accounting, and sales), human resources, and labor and employment relations functions (including collective bargaining) are centralized in its corporate headquarters located in Irving, Texas.

G2's service contracts with the airlines are negotiated and approved at the corporate level. The Carrier maintains "master agreements" with several airlines that set forth the terms of the services it will provide, with riders that provide for certain differences at specific airports.

The Carrier's tax and legal departments, which are also located in its Irving headquarters, serve all of the locations where it operates. Additionally, all of the Carrier's marketing and advertising activities are conducted at the corporate level.

Ms. Julie Gostic is the Carrier's Senior Vice President of Human Resources (HR) and Administration and oversees all aspects of HR and administration across G2's operations. Ms. Gostic's office is located at the Carrier's corporate headquarters in Irving. G2 has two Regional HR Directors who report directly to Ms. Gostic. Ms. Gostic also oversees all aspects of labor relations for G2. All collective bargaining is conducted under the direction of Ms. Gostic, who serves as the Carrier's lead negotiator in all collective bargaining negotiations. For example, the Carrier has voluntarily recognized SEIU at a number of airport locations, including LGA, EWR, JFK, IAD, DCA, BOS, PHL and FLL⁷, and Ms. Gostic represented G2 in discussions concerning

⁶ As of March 12, 2020, the Carrier employed 1,236 employees at all of its U.S. locations system-wide in the classifications of Cabin Service Agent (Aircraft Cabin Cleaner), Lavatory & Water Service Agent, Lead Cabin Service Agent, Dispatcher, and Lead Dispatcher.

⁷ SEIU represents G2's lavatory and water employees at BOS, as well as LGA; baggage handlers at Dulles International Airport (IAD), Reagan National Airport (DCA), Fort Lauderdale International Airport (FLL), and BOS; cargo clerks and agents at Philadelphia International Airport (PHL); sky caps at IAD and DCA; line queue agents at IAD, DCA and BOS; passenger

those voluntary recognitions and related collective bargaining. She also signs collective bargaining agreements – all of which are approved at the corporate level - on behalf of the Carrier.

G2 maintains two employee handbooks: one for its California employees, and a “non-California” employee handbook that applies to its employees at all other locations. Numerous provisions and policies in these handbooks are identical and apply corporate-wide to all employees regardless of location (e.g., rules of conduct, attendance, workplace harassment, appearance, transfer to other locations); others are substantially the same but with certain differences as dictated by applicable California state law. Employees working at locations in some states other than California (i.e., CT, MA, MN, NJ, NY, WA and WY) are subject to state-specific handbook addenda for purposes of the Carrier’s compliance with applicable state laws. Such addenda supplement G2’s non-California employee handbook.

The Carrier maintains corporate-wide benefits available to all employees regardless of location, including, for example, vacation, holidays, sick and bereavement pay, personal time off, and leaves of absence. It also offers multiple health insurance plans on a nationwide basis to all employees, including medical, vision, short term disability, and life insurance. It also offers a national prescription drug benefit and a retirement savings plan in which employees throughout the country can participate.

G2 applies the same standards for recruiting and hiring across its operations. Although much employee training is controlled by the carriers G2 serves, the Carrier also has its own employee training, which it develops at its Irving headquarters office.

G2 employee uniforms are consistent across the Company’s operations, however certain employees may be subject to carrier-imposed uniform requirements, including being required to wear a carrier-provided uniform pursuant to the terms of the applicable service contract.

G2’s LaGuardia Operation

On or about April 19, 2017, G2 entered into a master agreement with Delta Airlines (Delta) to provide cabin service cleaning, cabin service provisioning, aircraft security checks, and lavatory and water servicing functions at LGA. Employees of the predecessor contractor that performed that work (Gate Serve) were represented by SEIU. Shortly before commencing its

service agents at IAD, DCA and BOS; checkpoint agents at FLL; and wheel chair agents at IAD, DCA, FLL and BOS.

Delta operations at LGA, G2 entered into a voluntary recognition agreement with SEIU covering all cabin service cleaning employees. The most recent CBA between G2 and SEIU was for the term January 1, 2017 through February 19, 2020. The parties agreed to extend the duration of the CBA through April 1, 2021. The CBA and extension agreement were negotiated and signed by Ms. Gostic.

The CBA recognizes SEIU as the collective bargaining representative for “all employees employed on the premises of Newark Liberty Airport (EWR), [LGA] and/or [John F. Kennedy International Airport (JFK)]...or performing airport related services...” except for, among others, employees represented by another union and supervisors/managers as defined by the National Labor Relations Act.

At LGA, G2 employs approximately 179 employees who are covered by the CBA, and work in the following job classifications: Cabin Service Agent (Aircraft Cabin Cleaner), Lead Cabin Service Agent, Lavatory & Water Service Agent, Dispatch, and Lead/Dispatchers.⁸

Employees at LGA are subject to the Carrier’s non-California employee handbook and the Carrier’s “New York Addendum to G2 Secure Staff, LLC Handbook.” The Addendum includes, among other provisions, various policies applicable only to employees working in New York City, including policies providing additional leave benefits, such as crime victim or witness leave, and blood and bone marrow donation leave. In addition, the parties’ CBA expressly provides that Carrier policy will apply to Leaves of Absence, Vacation, Health Insurance, and Holidays (among others subjects).

G2 employees at LGA are required to wear uniforms that must be approved by Delta. The uniforms display the G2 logo and are provided by G2 and must meet Delta’s standards. *G2 Secure Staff, LLC*, 46 NMB 83 (2019).

G2’s Senior Vice President of Operations and Customer Service, Mark Nelson, oversees G2’s operations in the eastern half of the United States, and has responsibility over 30-plus airports located within that geographic area, including LGA.

⁸ As of March 12, 2020, the Carrier employed 38 employees at EWR who are also covered by the CBA. Their job classifications include cabin cleaner, lavatory and water service agent, wheelchair agent, security agent, and lead. The Carrier currently has no employees at JFK who are covered by the CBA.

DISCUSSION

Scope of the System

Section 2, Ninth, of the Act provides for representation of employees or subordinate officials on a system-wide basis. The Board has consistently held that the craft or class must include all of the employees working in the classification deemed eligible, regardless of work locations. *Aircraft Service International Group*, 40 NMB 43 (2012); *Aircraft Service International Group*, 31 NMB 508 (2004); *National R.R. Passenger Serv. Corp.*, 31 NMB 178, 189 (2004); *LSG Lufthansa Servs., Inc.*, 25 NMB 96, 108 (1997); *Int'l Total Servs.*, 20 NMB 537, 544 (1993).

The Board's longstanding practice is to conduct elections across a carrier's entire system. See *Summit Airlines Inc. v. Local 295*, 628 F.2d 787, 795 (2nd Cir. 1980). *America West Airlines, Inc.*, 16 NMB 135, 141 (1984). Early in its history, the Board stated its practice that:

[t]he Railway Labor Act does not authorize the National Mediation Board to certify representatives of small groups of employees arbitrarily selected. Representatives may be designated and authorized only for the whole of a craft or class employed by a carrier.

Pennsylvania R.R. Co., 1 NMB 23, 24 (1937).

This practice – which was extended to the airline industry when the RLA was extended to cover that industry in 1936⁹ - is consistent with the Act's mandate that craft or class determinations be made on a system-wide basis.¹⁰ “It is well established that the Board must determine the representative desires of employees subject to the [Act] on a [full] carrier basis, and by craft or class. Nowhere in the [Act] will be found any such phrase as ‘representation unit’ or ‘bargaining unit.’ The issue in the law is reduced to the simple proposition of who represents a craft or class on a carrier.” *KLM Royal Dutch Airlines*, 3 NMB 1, 2 (1953).

Consistent with the Act and the Board's historical approach, the Board has expressly and consistently noted the inappropriateness of treating geographically segregated employees as a separate craft or class where such

⁹ See *Ross Aviation, Inc.*, 5 NMB 145, 148 n. 5 (1972) (noting the requirement that representation issues be resolved on a carrier-wide basis).

¹⁰ See *Switchmen's Union v. NMB*, 135 F.2d 785, 795-96 (D.C. Cir. 1943) (discussing legislative history pertaining to the Act's system-wide representative requirement).

employees do not constitute the full craft or class carrier-wide. To conclude otherwise would directly contravene firmly established and necessary policies regarding the inappropriate fragmentation of crafts or classes. *Seaboard Coast Line R.R. Co.*, 6 NMB 63 (1976).

Notably, the Act provides the framework for collective bargaining in the railroad and airline industries, and under Section 2, Ninth, it is the Board's responsibility to determine the collective bargaining representative (if any) for the system-wide craft or class of employees. As the Board noted in *Grand Trunk Western R.R. Co.*, 19 NMB 226, 231 (1992), "[a] single representative for the system-wide craft or class is meant to facilitate collective bargaining and provide labor-management stability." See also *Transportation Communications Int'l Union*, 22 NMB 70, 74 (1994); *Consolidated Rail Corporation/Monongahela Ry. Co.*, 20 NMB 56 (1992); *Burlington Northern R.R. Co.*, 18 NMB 240 (1991). And as the Board expressed in *Railway Express Agency, Inc.*, 4 NMB 227 (1964):

The Board has no authority to split a craft or class on a Carrier and has so ruled in numerous previous cases. The tendency to divide established crafts or classes will not serve to stabilize collective bargaining relationships. On the contrary, one subdivision gives rise to another and such a course would eventually give rise to a multiplicity of differentiated bargaining groups and the stability of well-rounded craft or class bargaining would be lost.

Id. at 231.

When determining the scope of a carrier's system, the Board examines the extent of the consolidation of operations, labor relations, and payroll functions. *Gateway Frontline Services*, 42 NMB 146 (2015); *Air Serv Corporation*, 38 NMB 113 (2011); *Aircraft Serv. Int'l Group*, 31 NMB 508, 515 (2004); *Ogden Union Ry. & Depot Co.*, 16 NMB 398, 404 (1989). The Board also examines how the carrier or carriers are held out to the public, including how the carrier(s) advertise services, and the identity indicated on signs, logos, or other publicly visible indicia. *Sapado I a/k/a Dobbs Int'l Serv., Inc.*, 19 NMB 198, 205 (1992).

Based upon the facts of this case, G2's LGA operations do not constitute a separate system for the purposes of representation under Section 2, Ninth of the RLA. Rather, given the high degree of consolidation and centralization of the Carrier's operations and other functions, the appropriate system for the employees covered by the Applicant's application is nationwide in scope.

G2's operations, administrative and management functions (including payroll, accounting, tax, legal, sales, marketing, and advertising), human resources, and labor and employment relations functions (including collective bargaining) are centralized in its corporate headquarters located in Irving, Texas. With specific regard to labor relations, that function for all of the Carrier's nationwide operations is determined and coordinated from its corporate headquarters in Irving; and all collective bargaining is conducted under the direction of and approved at the corporate level.

G2 maintains two employee handbooks: one for its California employees, and a "non-California" employee handbook that applies to its employees at all other locations. Numerous provisions and policies in these handbooks are identical and apply-corporate-wide to all employees regardless of location; others are substantially the same but with certain differences as dictated by applicable California state law.

In addition, the Carrier offers multiple health insurance plans on a nationwide basis to all employees, including medical, vision, short term disability, and life insurance. It also offers a national prescription drug benefit and a retirement savings plan in which employees throughout the country can participate.

The Carrier also maintains "master agreements" with a number of airlines that set forth the terms of the services it will provide; it applies the same standards for recruiting and hiring across its operations; its employee uniforms are consistent across its operations, with exceptions only where a carrier may impose its own uniform requirements under an applicable service contract; and although much employee training is controlled by the carriers G2 serves, it has its own employee training, which is centrally developed at its Irving headquarters office.

Notably, in a prior matter involving facts very similar to those presented here, the Board also concluded that the carrier's system was nationwide in scope, and that a single airport operation does not constitute a proper system by itself. In *Gateway Frontline Services*, 42 NMB 146 (2015), the Gateway Employee Alliance (Alliance) filed an application to represent "Passenger Assistant and Dispatcher" employees employed by Gateway at McCarran International Airport (LAS) in Las Vegas, Nevada. Gateway – which provided security and frontline services to airlines at 11 airports, including flight dispatching, baggage handling, wheelchair services, and skycap services - requested that the Board dismiss the application because the Alliance did not seek to represent the employees on a system-wide basis as required by the Act. In addition, there was a voluntary recognition agreement in place between Gateway and Local 74 of the United Service Workers Union (Local 74)

covering those employees. The Board concluded Gateway's system was not limited to its operations at LAS. It based its decision primarily on the following facts: Gateway's passenger services operations were centralized in two corporate headquarters, its labor and employment functions, including collective bargaining, were controlled in its Los Angeles, California corporate office under the supervision of its Vice President and Chief Executive Officer, it utilized two employee handbooks, one covering employees in California and one for all other employees (both of which contained a number of identical policies), and it maintained uniform standards for hiring and recruiting. The Board further determined it was not bound by Gateway's voluntary recognition of Local 74 as the representative of a craft or class that did not conform to the requirements of the Act.¹¹

As in *Gateway*, here, G2's collective-bargaining agreement with SEIU applicable to the employees covered by the Applicant's application is based on a voluntary recognition rather than a Board certification; and, therefore, it does not constitute evidence of the proper scope of a craft or class as determined by the Board. See, e.g., *Air Serv Corp.*, 38 NMB 113, 123 (2011). Moreover, although the RLA does not preclude a carrier from voluntarily recognizing a craft or class that does not conform to the requirements of the RLA, the Board is not bound by such recognition for purposes of determining the appropriate craft or class and its scope. See, e.g., *Sapado I a/k/a Dobbs Int'l Serv., Inc.*, 19 NMB 198 (1992) (Act requires that representation issues be resolved in crafts and classes on a carrier-wide basis, and private arrangements between labor organizations and carriers establishing particular collective bargaining structures are not binding on Board); *Galveston Wharves*, 4 NMB 200, 203 (1962) ("private representation agreements which do not conform to the recognized craft or class lines cannot be relied upon to modify the requirements of the statute").

Also instructive here is the Board's decision in *Aircraft Service International Group*, 40 NMB 43 (2012). There, the Board concluded that the appropriate system for employees covered by a representation application filed by SEIU, United Service Workers West (USWW) to represent Fleet Service Employees employed by ASIG at Los Angeles International Airport (LAX) included all of ASIG's operations nationwide and was not limited to its LAX facility. At the time USWW's application was filed, ASIG's LAX Fleet Service Employees were represented by the United Service Workers Union, Local 74 (Local 74) pursuant to a voluntary recognition agreement. The Board rejected USWW's contention that the LAX station constituted a separate system, and

¹¹ Given the nationwide scope of the carrier's system, the Board dismissed the Alliance's application under Board Rule 1206.4 for failure to meet the requisite 50% showing of interest requirement under Board Rule 1206.2.

also its argument that the Board should conduct an election because there was evidence that a majority of the LAX employees in question wanted to be represented by USWW rather than Local 74. The Board found USWW's argument to conduct an election "unavailing" under the Act, noting that, "Employees with a voluntarily-recognized union may now wish to change representatives. The Board's duty, however, is to determine representation issues where they arise within the proper scope of a craft or class. Absent an application with a showing of interest in the proper system, the Board does not authorize elections." *Id.* at 51, fn. 3.

CONCLUSION

Based on the record in this case and for the reasons stated above, the Board finds that the proper system for representation under the RLA includes all of G2's operations nationwide; and that G2's LGA operation does not constitute a proper system by itself.

The Applicant has failed to meet the requisite 50 percent showing of interest requirement as set forth in Board Rule 1206.2 and, therefore, her application is dismissed subject to Board Rule 1206.4(b). Case No. CR-7212 is converted to R-7554 and closed.

By direction of the NATIONAL MEDIATION BOARD.



Maria-Kate Dowling
Acting General Counsel

Member Puchala, concurring.

I write separately because this case and *Gateway Frontline Services*, 42 NMB 146 (2015), are examples of how the NMB's current derivative carrier analysis fails to effectuate the purposes of the Act. Derivative Carrier employees are often working under collective bargaining agreements that apply to a single location, the airport where their employer is a service provider to one or more air carriers. In other situations, those Derivative Carrier employees are attempting to organize their co-workers at a particular airport where their employer is a service provider to one or more air carriers. Often, they may go to the NLRB first to seek to gain, change, or lose a bargaining representative. Just

as often they are told that jurisdiction over their workplace lies under the RLA and, when they file for a representation election at the NMB, their application is dismissed. The application of the NMB's current test effectively deprives employees of rights under the NLRA, but when they try to exercise their representation rights under the RLA, employees become frustrated by decisions like today's and *Gateway Frontline Services, Id.* In my view, the Board must revisit its derivative carrier analysis to address today's airline industry business environment and allow employees to effectively exercise their rights under the Act.