



## **News Release**

### **National Labor Relations Board**

#### **Office of the General Counsel**

November 19, 2010

**Contact:**

Office of Public Affairs

202-273-1991

[publicinfo@nrlb.gov](mailto:publicinfo@nrlb.gov)

[www.nrlb.gov](http://www.nrlb.gov)

### **Los Angeles hotel settles NLRB case with \$1.3 million payment** ***Employees receive half in welfare fund contributions, half in backpay***

The Wilshire Plaza Hotel in Los Angeles has agreed to pay \$1,334,961.35 to satisfy a National Labor Relations Board order to reimburse its unionized employees for unlawful changes the hotel made to wages, benefits and working conditions in 2007.

The settlement ends several years of litigation pursued by the NLRB to restore employee rights in *Majestic Towers, Inc. d/b/a Wilshire Plaza Hotel, 31-CA-28135, et al.* NLRB attorneys secured a federal injunction forcing the hotel to rescind the illegal changes and return to bargaining with the union, UNITE HERE, Local 11, in September 2008. Several months later, the Board also ordered the employer to restore the union funds for retirement and health care benefits, and to reimburse employees for medical expenses that resulted from their loss of health benefits.

Those orders prompted a lengthy investigation by board agents at Region 31 of the NLRB in Los Angeles, who examined thousands of pages of payroll records to determine the correct amounts owed to each employee and to the benefit funds. As the date for a compliance hearing approached, the employer agreed to pay the full amount in a formal settlement.

In all, the agency collected \$669,869.75 to reimburse the union-hotel benefit funds, and \$665,091.60 in back pay to 106 employees. The Region closed the case on November 17, 2010.

The National Labor Relations Board is an independent federal agency vested with the authority to safeguard employees' rights to organize and to determine whether to have a union as their collective bargaining representative, and to prevent and remedy unfair labor practices committed by private sector employers and unions.

###