

INDIANA SUPREME COURT

Gregory F. Zoeller, Attorney General of the State of Indiana and Rick J. Ruble, Commissioner of the Indiana Department of Labor v. James M. Sweeney, David A. Fagan, Charles Severs, James C. Oliver, Bryan Scofield, Earl Click Jr., and International Union of Operating Engineers, Local 150-AFL-CIO

19 N.E.3d 749 (Ind. 2014) · No. 45S00-1309-PL-596 · Decided November 6, 2014

SUMMARY

The Indiana Supreme Court reviewed a trial court judgment declaring provisions of Indiana's Right to Work Law unconstitutional under Article 1, Section 21 of the Indiana Constitution. The court held that Indiana Code sections 22-6-6-8 and 22-6-6-10 do not constitute a state demand for particular services without just compensation and reversed the trial court's declaratory judgment and denial of the defendants' motion to dismiss. Justice Rucker concurred in the result, emphasizing that the facial challenge failed on the existing record.

CASE DETAILS

COURT	Indiana Supreme Court
WRITING FOR THE COURT	Justice Dickson; Chief Justice Rush; Justice David; Justice Massa; Justice Rucker
JURISDICTION	Indiana
DECIDED	November 6, 2014
DOCKET	45S00-1309-PL-596
DISPOSITION	reversed
PROCEDURAL POSTURE	Direct appeal from a trial court judgment declaring Indiana Code sections 22-6-6-8 and 22-6-6-10 unconstitutional under Article 1, Section 21 of the Indiana Constitution.
STANDARD OF REVIEW	Questions of law, including the facial constitutionality of a statute, are reviewed de novo without deference to the trial court.
PRECEDENTIAL VALUE	Published Indiana Supreme Court opinion; precedential.
PARTIES	Gregory F. Zoeller, Attorney General of the State of Indiana, Rick J. Ruble, Commissioner of the Indiana Department of Labor v. James M.

Sweeney, David A. Fagan, Charles Severs, James C. Oliver, Bryan Scofield, Earl Click Jr., International Union of Operating Engineers, Local 150-AFL-CIO

TOPICS

constitutional law labor law appellate jurisdiction standard of review employment law

PRACTICE AREAS

constitutional law labor law employment law appellate procedure

QUESTIONS PRESENTED

1. Whether Indiana Code sections 22-6-6-8 and 22-6-6-10 facially violate Article 1, Section 21 of the Indiana Constitution by requiring an exclusive-agency union to provide services without just compensation.
2. Whether the State waived arguments on appeal by failing to present them in the trial court.
3. Whether the trial court properly entered declaratory judgment sua sponte on the State's motion to dismiss.

HOLDINGS

1. The State did not waive its arguments because the trial court entered final judgment sua sponte on the motion to dismiss without giving the State an opportunity to develop and present further defenses.
2. Indiana Code sections 22-6-6-8 and 22-6-6-10 do not violate Article 1, Section 21 because any compulsion to provide services under federal labor law is not a demand made by the State of Indiana.
3. The Union failed to establish that the challenged provisions are unconstitutional in every possible application.

KEY QUOTATIONS

“In sum, Article 21 requires just compensation when the state demands particular services, not when the federal government does so.” (754)

“We conclude that Indiana Code sections 22-6-6-8 and 22-6-6-10 in the Indiana Right to Work Law do not violate Article 1, Section 21 of the Indiana Constitution.” (754)

FACTUAL BACKGROUND

The plaintiffs included an exclusive-agency union and several of its members and officers. Under federal labor law, an exclusive representative must represent all employees in the bargaining unit, including nonmembers, while Indiana's Right to Work Law prohibits requiring union membership or payment of union dues or equivalent amounts as a condition of employment and criminalizes knowing or intentional violations. The Union claimed that these provisions caused it to provide uncompensated services in violation of Article 1, Section 21 of the Indiana Constitution.

PROCEDURAL HISTORY

The Union filed a declaratory-judgment action challenging various provisions of Indiana's Right to Work Law under multiple provisions of the Indiana Constitution. The Lake Superior Court dismissed all claims except the Article 1, Section 21 claim, denied the State's motion to dismiss that claim, and sua sponte entered final judgment declaring sections 22-6-6-8 and 22-6-6-10 unconstitutional. The State appealed directly to the Indiana Supreme Court, which reversed both the denial of the motion to dismiss and the declaratory judgment.

DISPOSITION

reversed

CASES CITED

- Cavens v. Zaberdac, 849 N.E.2d 526 (Ind. 2006)
- Paul Stieler Enterprises, Inc. v. City of Evansville, 2 N.E.3d 1269, 1272 (Ind. 2014)
- Dvorak v. City of Bloomington, 796 N.E.2d 236, 237-38 (Ind. 2003)
- Boehm v. Town of St. John, 675 N.E.2d 318, 321 (Ind. 1996)
- Baldwin v. Reagan, 715 N.E.2d 332, 337 (Ind. 1999)
- Bayh v. Sonnenburg, 573 N.E.2d 398, 411, 417 (Ind. 1991)
- Cheatham v. Pohle, 789 N.E.2d 467, 476 (Ind. 2003)
- Sweeney v. Pence, 767 F.3d 654, 666 (7th Cir. 2014)
- Town of St. John v. State ex rel. Riddick, 675 N.E.2d 318, 321 (Ind. 1996)
- Whittington v. State, 669 N.E.2d 1363, 1368-69 & n.6 (Ind. 1996)
- Meredith v. Pence, 984 N.E.2d 1213, 1226 (Ind. 2013)