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NOTE: Where it is feasible, a syllabus (headnote) will be released, as is being done in connection with this case, at the time the opinion is issued. The syllabus constitutes no part of the opinion of the Court but has been prepared by the Reporter of Decisions for the convenience of the reader. See *United States v. Detroit Timber & Lumber Co.*, 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

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AIR LINE PILOTS ASSOCIATION v. MILLER ET AL.

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR
THE DISTRICT OF COLUMBIA CIRCUIT

No. 97–428. Argued March 23, 1998— Decided May 26, 1998

Petitioner Air Line Pilots Association (ALPA or Union), a private-sector labor organization covered by the Railway Labor Act (RLA), represents, as exclusive bargaining agent, pilots employed by Delta Air Lines (Delta). The collective-bargaining agreement between ALPA and Delta includes an “agency shop” clause that requires nonunion Delta pilots to pay ALPA a monthly service charge for representing them. For 1992, the first year ALPA collected an “agency fee” under the agency-shop agreement, the Union ultimately determined that 19 percent of its expenses were not germane to collective bargaining. Accordingly, ALPA collected an agency fee that amounted to 81 percent of its members’ dues. Alleging that the Union had overstated the percentage of its expenditures genuinely attributable to “germane” activities, respondents, 153 Delta pilots, challenged in this federal-court action the manner in which ALPA calculated agency fees. Under ALPA’s “Policies and Procedures Applicable to Agency Fees,” adopted to comply with the “impartial decisionmaker” requirement set forth in *Teachers v. Hudson*, 475 U. S. 292, 310, pilots who object to the fee calculation may request arbitration under procedures devised by the American Arbitration Association (AAA). When 174 Delta pilots (including 91 of the respondents) filed timely objections to the 1992 agency-fee calculation, ALPA treated the objects as a request for arbitration and referred them to the AAA for resolution in a single, consolidated proceeding. The arbitrator declined to stay the arbitration in deference to the court proceeding, and sustained ALPA’s calculation in substantial part. The District Court then granted ALPA’s motion for summary judgment, concluding, *inter alia*, that pilots seeking to challenge the fee calculation must exhaust arbitral remedies before proceeding in court. Revers-

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ing, the Court of Appeals found no legal basis for requiring objectors to arbitrate agency-fee challenges when they had not agreed to do so. Having determined that the arbitrator's decision was no longer part of the legal picture, the appellate court remanded the case to the District Court.

Held: When a union adopts an arbitration process to comply with *Hudson*'s "impartial decisionmaker" requirement, agency-fee objectors who have not agreed to the procedure may not be required to exhaust the arbitral remedy before challenging the union's calculation in a federal-court action. Pp. 5–12.

(a) Section 2, Eleventh, of the RLA allows employers and unions to conclude agency shop agreements. Under such arrangements, nonmembers must pay their fair share of union expenditures necessarily or reasonably incurred in performing the duties of an exclusive employee representative dealing with the employer on labor-management issues. *Ellis v. Railway Clerks*, 466 U. S. 435, 448. To avoid constitutional shoals, however, fee objectors cannot be compelled to pay costs unrelated to those representative duties. See, e.g., *id.*, at 448–455. In *Hudson*, a public-sector case in which limitations on the use of agency fees were prompted directly by the First Amendment, the Court held that unions and employers must provide three procedural protections for nonunion workers who object to the agency-fee calculation: sufficient information to gauge the fee's propriety, 475 U. S., at 306; "a reasonably prompt opportunity to challenge the amount of the fee before an impartial decisionmaker," *id.*, at 310; and the escrowing of any amount of the fee "reasonably in dispute" while the challenge is pending. *Ibid.* Pp. 5–7.

(b) The parties have not challenged the Court of Appeals' determination that *Hudson*'s safeguards transfer fully to employment relations governed by the RLA. Accordingly, the Court turns to the question whether agency-fee objectors must exhaust *Hudson*'s "impartial decisionmaker" procedure before pursuing their claims in federal court. The Court answers that question "no," and rejects ALPA's request to extend the discretionary exhaustion-of-remedies doctrine, see *McCarthy v. Madigan*, 503 U. S. 140, 144, to agency-fee arbitration. A principal purpose of that doctrine—allowing agencies, not courts, to have primary responsibility for the programs that Congress has charged them to administer, see *id.*, at 145— is not relevant here: ALPA seeks exhaustion of an arbitral remedy established by a private party, not of an administrative remedy established by Congress. As a rule, arbitration is a matter of contract, and a party ordinarily cannot be required to submit to arbitration any dispute which he has not agreed so to submit. E.g., *Steelworkers v. Warrior & Gulf Nav. Co.*, 363 U. S. 574, 582. ALPA, it is true, acted to comply with *Hud-*

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son rather than out of its own unconstrained choice. But the purpose of *Hudson*’s “impartial decisionmaker” requirement is to advance the swift, fair, and final settlement of objectors’ rights, see 475 U. S., at 307, not to compel objectors to pursue arbitration. The Court resists reading *Hudson* in a manner that might frustrate its very purpose. ALPA’s assertion of the efficiency served by requiring objectors to proceed first to arbitration, thereby gaining definition of the scope of the dispute, overstates the difficulties entailed in holding a federal-court hearing without a preparatory arbitration, and is answered by conscientious management of the pretrial process to guard against abuse, not by a judicially imposed exhaustion requirement. Genuine as the Union’s interest in avoiding multiple proceedings may be, that interest does not overwhelm objectors’ resistance to arbitration to which they did not consent, and their election to proceed immediately to court for adjudication of their federal rights. Pp. 7–12.

108 F. 3d 1415, affirmed.

GINSBURG, J., delivered the opinion of the Court, in which REHNQUIST, C. J., and O’CONNOR, SCALIA, KENNEDY, SOUTER, and THOMAS, JJ., joined. BREYER, J., filed a dissenting opinion, in which STEVENS, J., joined.