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 Lumber Co.,* 200 U. S. 321, 337.

SUPREME COURT OF THE UNITED STATES

Syllabus

LIVADAS *v.* BRADSHAW, CALIFORNIA LABOR COMMISSIONER

CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

No. 92–1920. Argued April 26, 1994—Decided June 13, 1994

California law requires employers to pay all wages due immediately upon an employee's discharge, Labor Code §201; imposes a penalty for refusal to pay promptly, §203; and places responsibility for enforcing these provisions on the Commissioner of Labor. After petitioner Livadas's employer refused to pay her the wages owed upon her discharge, but paid them a few days later, she filed a penalty claim. The Commissioner replied with a form letter construing Labor Code §229 as barring him from enforcing such claims on behalf of individuals like Livadas, whose employment terms and conditions are governed by a collective-bargaining agreement containing an arbitration clause. Livadas brought this action under 42 U. S. C. §1983, alleging that the nonenforcement policy was pre-empted by federal law because it abridged her rights under the National Labor Relations Act (NLRA). The District Court granted her summary judgment, rejecting the Commissioner's defense that the claim was pre-empted by §301 of the Labor-Management Relations Act, 1947 (LMRA). Although acknowledging that the NLRA gives Livadas a right to bargain collectively and that §1983 would supply a remedy for official deprivation of that right, the Court of Appeals reversed, concluding that no federal right had been infringed because Livadas's case reduced to an assertion that the Commissioner had misinterpreted state law, namely §229.

Held:

1. The Commissioner's policy is pre-empted by federal law. Pp. 8–25.

(a) This case is fundamentally no different from *Nash* v.

Florida Industrial Comm'n, 389 U. S. 235, 239, in which the Court held that a state rule predicating benefits on refraining from conduct protected by federal labor law was pre-empted because it interfered with congressional purpose. The Commissioner's policy, which requires Livadas to choose between Labor Code and NLRA rights, cannot be reconciled with a federal statutory scheme premised on the centrality of collective bargaining and the desirability of arbitration. Pp. 8–9.

Syllabus

(b) The Commissioner's answers to the foregoing conclusion flow from two significant misunderstandings of law. First, the assertion that the nonenforcement policy must be valid because §229 is consistent with federal law is premised on irrelevant relationships and leads to the wrong question: Pre-emption analysis turns on the policy's actual content and its real effect on federal rights, not on whether §229 is valid under the Federal Constitution or whether the policy is, as a matter of state law, a proper interpretation of §229. Second, the argument that a ``rational basis'' supports the distinction the policy draws between employees represented by unions and those who are not mistakes a validity standard under the Equal Protection and Due Process Clauses for what the Supremacy Clause requires: a determination whether the state rule conflicts with the federal law. Pp. 10–13.

(c) This Court's decisions according pre-emptive effect to LMRA §301 foreclose even a colorable argument that a claim under Labor Code §203 was pre-empted here, since they establish that the section does not broadly pre-empt nonnegotiable employee rights conferred by state law; that it is a claim's legal character, as independent of rights under the collective-bargaining agreement, that decides whether a state cause of action may go forward; and that when liability is governed by independent state law and the meaning of contract terms is not in dispute, the bare fact that a collective-bargaining agreement is consulted for damage computation is no reason to extinguish the state-law claim. See, *e.g., Allis-Chalmers Corp.* v. *Lueck,* 471 U. S. 202, and *Lingle* v. *Norge Division of Magic Chef, Inc.,* 486 U. S. 399. Here, the primary text for deciding whether Livadas was entitled to a penalty was not the collective-bargaining agreement, but a calendar. The only issue raised by her claim, whether her employer wilfully failed to pay her wages promptly upon severance, was a question of state law entirely independent of the agreement. Absent any indication that there was a dispute over the penalty amount, the simple need to refer to bargained-for wage rates in computing the penalty is irrelevant. Pp. 13–18.

(d) The Commissioner's attempt before this Court to recast the nonenforcement policy as expressing a ``conscious decision'' to keep the State's ``hands off'' the claims of employees protected by collective-bargaining agreements, either because the Commissioner's efforts and resources are more urgently needed by others or because official restraint will actually encourage the collective-bargaining and arbitral processes favored by federal law, is rejected. If the policy were in fact animated by the first of these late-blooming rationales, the Commissioner's emphasis on the need to avoid ``inter-

Syllabus

pret[ing]'' or ``apply[ing]'' collective-bargaining agreements would be entirely misplaced. Nor is the second asserted rationale convincing, since enforcement under the policy does not turn on the bargain struck by the contracting parties or on whether the contractual wage rate is even arbitrable, but simply on the fact that the parties have consented to arbitration. The suggestion that the policy is meant to stimulate free-wheeling bargaining over wage payments to discharged workers contradicts Labor Code §219, which expressly and categorically prohibits the modification of rules under the Code by ``private agreement.'' Even at face value, however, the ``hands off'' label poses special dangers that advantages conferred by federal law will be canceled out and its objectives undermined, and those dangers are not laid to rest by professions of the need for governmental neutrality in labor disputes. Similarly, the vague assertions that the policy advances federal interests are not persuasive, since this Court has never suggested that the federal bias toward bargaining is to be served by forcing employees and employers to bargain for what they would otherwise be entitled to under state law. *Fort Halifax Packing Co.* v. *Coyne,* 482 U. S. 1, and the federal and state ``opt-out'' laws cited by the Commissioner, distinguished. Pp. 19–25.

2. Livadas is entitled to seek relief under §1983 for the Commissioner's abridgment of her NLRA right to complete the collective-bargaining process and agree to an arbitration clause. That right is at least imminent in the NLRA's structure, if it is not provided in so many words by the statutory text, and the obligation to respect it on the part of those acting under color of law is not vague or amorphous. Moreover, Congress has given no indication of any intent to foreclose actions like Livadas's, and there is no cause for special caution here. See *Golden State Transit Corp.* v. *Los Angeles,* 493 U. S. 103, 108–112. Pp. 26–28.

987 F. 2d 552, reversed.

SOUTER, J., delivered the opinion for a unanimous Court.