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No Injunction for You: Third Circuit Rejects Employer Bid to Halt NLRB Case, Setting up Circuit Split

Labor Relations Update on **December 15, 2025**

In a significant decision, the Third Circuit Court of Appeals held on December 3, 2025 that federal courts lack jurisdiction to issue injunctions that would halt ongoing National Labor Relations Board ("NLRB") administrative proceedings—even when an employer frames its challenge as a constitutional attack on the NLRB's structure.

The ruling, *Spring Creek Rehabilitation & Nursing Center LLC v. NLRB*, sets up a circuit split with the Fifth Circuit regarding whether federal courts will block NLRB unfair labor practice proceedings while courts adjudicate whether the NLRB's removal proceedings are constitutional. This issue will likely end up before the Supreme Court.

Background

In 2024, the NLRB issued a complaint for alleged unfair labor practices against Spring Creek Rehabilitation and Nursing Center ("Spring Creek") and ordered Spring Creek to appear before an NLRB Administrative Law Judge ("ALJ").

In response, Spring Creek sued in the U.S. District Court for the District of New Jersey, seeking a preliminary injunction to stop the hearing. Spring Creek's core argument: NLRB Members and ALJs are unconstitutionally insulated from presidential removal, so compelling employers to appear before them would cause irreparable harm.

The District Court denied the injunction, finding that Spring Creek had failed to show that it would suffer irreparable harm for participating in NLRB's adjudicative process. Spring Creek appealed.

Third Circuit Finds No Jurisdiction Over Dispute

On appeal, the NLRB raised a new, jurisdictional argument that the Norris-LaGuardia Act (the "NLGA") prohibits federal courts from issuing injunctions "in a case involving or growing out of a labor dispute" except in narrow exceptions not present here. A majority of the Third Circuit panel agreed with the NLRB and remanded the matter back to the District Court.

The Third Circuit's decision focused on its disagreement with a recent conflicting ruling in the Fifth Circuit, *Space Exploration Technologies Corp. v. NLRB* ("*SpaceX*") (which we previously reported on here):

- In *SpaceX*, the Fifth Circuit granted the employer a preliminary injunction similar to the one sought by Spring Creek in the Third Circuit, finding that ALJs' and NLRB Members' removal protections did violate the Constitution.
- The Fifth Circuit also found that the NLGA did not divest it of jurisdiction over the controversy, concluding that the NLGA does not apply when the defendant is the NLRB rather than a union.
- Finally, the Fifth Circuit found that subjecting an employer to an allegedly unconstitutional process is an irreparable injury.

Breaking with the Fifth Circuit, the Third Circuit majority issued an injunction, holding that the NLGA applies to disputes between employers and the NLRB. The Third Circuit's decision did not reach the constitutionality or irreparable-harm arguments, but in a concurrence, Judge Montgomery-Reeves agreed with the District Court's finding that Spring Creek failed to show irreparable harm.

Takeaways

The Third Circuit has set up a circuit split with the Fifth Circuit that may end up at the Supreme Court. After the Fifth Circuit's decision in *SpaceX* upending the administrative review process, many employers raised constitutional challenges to the NLRB and sought to enjoin unfair labor practice proceedings. Along with other challenges to the Board, such as the ongoing litigation over Member Wilcox's firing, the twin disputes over whether the NLGA prohibits injunctions and the constitutional challenge to the NLRB's structure appear destined for the Supreme Court.

Employers appearing before the NLRB may continue to assess the defenses raised in these cases until there is more definitive guidance from the Supreme Court or the court of appeals in their circuit.

As always, we will continue to update you on further developments on these important issues.

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