

SEIU Local 517M E-Former – June 2011

New Solutions Report Press Conference



A new report made public on Monday, May 23, 2011 shows where the state could save money by cutting management positions and cutting the contracting out of state work. SEIU Local 517M Executive Vice President **Phil Thompson** directed the press conference and SEIU Local 517M Divisional Vice President **Phil Patrick** of the Human Services Support unit spoke on behalf of unemployment services in Michigan. View the rest of the story and the New Solutions for

Michigan Report and Executive Summary at: <http://www.seiu517m.org/2011/05/23/new-solutions-report/>

Overview of New Pension Taxation Law – Read How This Will Affect all Workers in Michigan

Guest Column By Ellen Hoekstra, Capitol Services, Inc.

Governor Rick Snyder has signed the pension tax legislation into law as PA 38. Retiree and labor organizations—and many individual retirees--strongly opposed this legislation, which we expect to see challenged in court. The legislation modified the Governor's proposal to fully tax all pensions but added another \$150 million in budget reductions beyond those in the executive budget proposal. The new law and related other legislation also signed into law specify that as of January 1, 2012, payments to retirees are subject to state income tax. The state income tax rate remains at 4.35% until January 1, 2013 and then is reduced to 4.25%. Read more at: <http://www.seiu517m.org/2011/05/31/overview-of-pension-taxation-under-new-law/>

Q and A's From Members

Q: I am an SEIU state employee member – what is the status of our 3% retirement health care fund lawsuit?

A: There are no additional words from the courts or our law firm in this action since our last update. As you know, the state unions won this "constitutional issue" in Ingham County Circuit Court. The state filed for an immediate appeal, and the Appellate Court has not issued its decision on the actual merits of this case—although they did decide to continue the 3% deduction going into an escrow fund. We argued that this deduction should cease, and all previous money deducted should be returned to the members. Either way the Appellate Court's ruling goes—for the Unions or for the State—it will almost certainly head to the Michigan Supreme Court. Not the best place for workers to be right now under the new Court make up. SEIU has one of the best labor law/constitutional law firms in the state representing our membership in this action.

Q: My school district says that the new budget bill requires my school district to implement Gov. Snyder's "Best Practices." What are these?

A: The Boilerplate Language from K-12 Senate Bill 183 legislation provides \$154.0 million in one-time grants for districts that satisfy 4 out of the 5 following best practices:

1. Have a 90/10 premium share for employee health benefits.

2. District acts as policy holder of health insurance policies. A district that does not directly employ its staff would be considered to have satisfied this practice.
3. Enter into or continue consolidation plans.
4. Obtain competitive bid on at least one non-instructional service totaling more than \$50,000.
5. Make a public dashboard with financial indicators and other items including graduation and dropout rates, MEAP, and Merit Exam scores, and other items. Also add a subsection that if a district is found to have intentionally submitted false information to satisfy this section, that they will forfeit an amount equal to their incentive payment from their total state aid payment in FY 2012-13.

Q: We all know about the 80%-20% proposal that has gotten so much press but what is the "Hard Cap" proposal being debated in the Michigan Legislature?

A: The "hard Cap" proposal currently being pushed by many of the GOP legislators is as follows: \$13,000 for full family; \$10,000 for couples; and \$5,000 for individual plans. This proposal would place a "cap" of these amounts that PUBLIC EMPLOYERS would be allowed to cover for health insurance plans for employees. Either **Steve Reck** or **Phil Thompson** has been at most of the lobbyist meetings where these proposals are being debated. Obviously, all of Labor has opposed both the cap proposal as well as the 80-20 proposal--our position is that these decisions should be left to the bargaining process. However, we are NOT winning this debate in the GOP-controlled legislature.

NASHTU Participants Lobby for Transportation Issues



A delegation of SEIU Local 517M members met in Washington DC as part of the National Association of State Highway Transportation Unions (NASHTU) Annual Conference. Every year, this organization holds a lobbying effort for transportation related issues such as reduced contracting out of state work, the benefits of increased accountability by using state workers to design and oversee projects and for an increase in transportation dollars . Transportation Planners **Bill Land**, **Amy Lipset** and Transportation Technician **George Heath** participated with SEIU Local 517M

Political Coordinator **Steve Reck**. Pictured are: L-R: Steve Reck, Bill Land, Amy Lipset, Congressman Bill Huizenga (R- MI2), George Heath.

Rally in Detroit for Good Jobs!

Join us on Friday, June 3rd to rally for: Good Jobs; Fewer Abandoned Houses; Safer Neighborhoods; and Better Schools. The rally will be held at 11:30 a.m. in Roosevelt Park, 2200 Michigan Ave., (in front of the old train station). There will be free food and activities. Listen to special guest advocates and speak out about the issues impacting your own neighborhood. Together we can make Detroit a better place. SEIU will have a bus traveling from Saginaw to Flint to Detroit. The bus will leave the SEIU 517M Saginaw Office (1420 S. Michigan Ave.) at 7:30 a.m. The bus will depart from the SEIU 517M Flint office (5045 Miller Rd.) around 9:00 a.m. Call 989.797-4243 to reserve your spot on the bus today! Questions can also be directed to **Steve Reck** at sreck@seiu517m.org.

I Make Michigan Work Website Launch

On May 11, 2011, Progress Michigan and the "We Are the People" coalition launched IMakeMichiganWork.org, a new website that showcases the personal stories of Michigan's teachers, firefighters and other public sector workers.

With Lansing politicians pushing a budget that would cut \$180 million in wages and benefits from public workers to pay for a \$1.8 billion tax break for corporate special interests, the interactive website gives workers a forum to push back against the attacks by showing Michiganders how vital their work is to Michigan's continued economic recovery. View more of the story at: <http://www.seiu517m.org/2011/05/11/i-make-michigan-work/>

Taylor School Unit to Have New Leadership

The Taylor School unit recently held officer elections to fill upcoming vacancies for the offices of Unit President and Unit Divisional Vice President. These positions are currently held by **Lynda Roberts** and **Ron Miller**, respectively. Both Lynda and Ron will be retiring September 1, 2011. Two nominations were received for these two positions so there was no vote. The newly elected Unit President will be **Kathy Fields** and the new Unit Divisional Vice President will be **Jeff Michalik**. The date that nominations will be accepted to fill the position of Unit Vice President currently held by Kathy will follow next month.

Lobby Day Recap

On May 4, 2011, 65 SEIU Local 517M, Local 1 and "We Are The People" partners participated in a legislative education day at the state capitol. Members met with their legislators from both the House and Senate by pulling them out of session or by having pre-arranged meetings with them and their staffs in their offices. At lunch many legislators came in to talk to the members. The event was to make the legislators aware of who our members are, the services we provide and let them know we are willing to work with them to fix the problems facing our state. If you weren't able to attend, you can still make your voice heard by sending letters to your legislators. Click on the Speak Out tab above and view our current letter writing campaigns. View pictures at: <http://www.flickr.com/photos/54989632@N05/sets/72157626528026943/>

Former President Set to Retire



Former SEIU Local 517M President **Karl Hausler** will be retiring from the Department of Agriculture after 36 years with the State. He has served in many capacities at SEIU Local 517M including serving continually on the MPES/Scientific and Engineering unit Board since 1984. He has served the Local as Union Secretary, Union Vice President, and Union President. He has also served on bargaining teams and numerous committees. Karl received the SEIU Local 517M Outstanding Member Service Award in 2001. Karl expects to stay active in the Local 517M Retirees program. We wish Karl the best of luck in his new pursuits and still expect to see him at the golf outing every year. (Pictured L-R: Executive Vice President Phil Thompson, Karl Hausler, President Bill Ruhf)

AFRAM to Hold Detroit Area Skating Party

The Detroit AFRAM Chapter of SEIU Local 517M will be holding a Skating Party on Saturday, September 3, 2011, at the Northland Roller Rink, 22311 W. 8 Mile Rd., Detroit, 48219 (West of Lasher Rd.) The event will be held from 4:30 p.m. to 6:30 p.m. Tickets cost \$5 and skate rental is \$2. Proceeds help fund ongoing AFRAM leadership training and local community outreach projects. For tickets and information contact Joey at 313.443.7846, Antonia at 313.522.3973 or contact the Detroit SEIU office at 313.456.2911.

Older Michiganians Day is June 15th

Seniors are encouraged to gather on the lawn of the Capitol at 9:50 am (there will be a tent). There will be speeches then visit with State Representatives and advocate for senior issues. We will also honor the Senior Citizen of the Year. There will be an orientation on the platform issues before we visit our legislators.

If you have a ticket you will receive a box lunch and a T-Shirt. Lunch is from 11:30 – 12:00 noon. Tickets are free!!! You can reserve a ticket to be picked up the day of the rally by calling 517-887-1440 or you may pick up your ticket before June 15 at the Tri-County Office on Aging, 5303 S. Cedar Street, Lansing.

For information on the issues we will advocate, please visit the Older Michiganians Day website at www.oldermichiganiansday.com.