

SEIU Local 517M

Michigan Public Employees



SEIU Local 517M E-Former

July 2013 Edition

Lead, Unite, Fight – Win For the 99%!

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School Employee Dues Lawsuit Update

On June 19, 2013, the Sixth Circuit issued a short order denying our *en banc* review request of the Court of Appeals decision in *Bailey v. Callaghan*, our federal case challenging the constitutionality of Michigan Public Act 53.

PA 53 prohibits Michigan school employers from making payroll deductions of voluntary member dues, even if it doesn't cost a penny for schools to make such deductions. We won an injunction against PA 53 in the District Court which delayed implementation of the Act. Upon issuance of the Sixth Circuit's mandate, that injunction will be dissolved.

PA 53 goes beyond the public sector right to work law, which forbids agreements that require service fees from non-members but does not prohibit agreements to deduct voluntary dues payments from members. This law is hard on workers because it denies them the security and convenience of using payroll deduction to support their unions. In the absence of payroll deduction, school employees will have to pay their union dues through other methods. Local 517M will be rolling out our new dues collection program in the coming weeks and will be signing school members up when they return to work in the fall.

Oral Arguments Heard in State Employee 4% Lawsuit

The Court of Appeals heard oral arguments on the 4% lawsuit on June 12, 2013. They lasted approximately 45 minutes. Each side is limited to 30 minutes with an option for saving some of that time for rebuttal. Judge Owens explained that the court already read the briefs, so they were very familiar with the case; there was no need to review every aspect of the case. The state's attorney went first and highlighted their arguments that the pension is not considered "compensation" as defined by the Michigan Constitution and that the Legislature has the Constitutional authority to make changes to the State Employee Retirement Act because they have done so in the past. He also argued that this case differs from the 3% lawsuit

because it was a choice for employees to stay in the defined benefit plan, just like employees choose their healthcare plans, or pay for parking or enroll in deferred compensation. The Coalition of State Employee Union's attorney reiterated our position that the Civil Service Commission has plenary authority over compensation and conditions of employment for classified state employees. The Legislature has worked in conjunction with the Civil Service Commission. Just because there have been changes made to the Retirement Act by the Legislature does not mean the Commission has given up its plenary authority, it went along with those changes. The 4% contribution is a reduction in compensation. The Judges had no problem interrupting both attorneys to ask questions and challenge assertions made. No decision is issued during this process. The Court should make a decision in two to three months.

Member Engagement Training Held in Saginaw

The first Region 1 Member Engagement Involvement Training for Leaders, Stewards and members who wanted to get involved in Union business was held on June 19, 2013 and the Saginaw Hall.



There were 11 members who attended the two hour training. Members received a very informative manual for Leaders, Stewards and bargaining team members, and packet update of Union business. All of the members in attendance stated afterwards that they understood the issues of Right To Work, PA53, and the need to engage other members and was very appreciative of the training material. The participants felt inspired to do better at communicating this information with the membership as they return to their units. In addition, they wish

to encourage other members to continue to pay their dues as well as attend the next training to be held at the end of August. At the end of training a few of the members attended their first membership engagement action meeting at the Saginaw Public School District board meeting. Special thanks to **Marianne Woods** for her help with the training and to the following leaders who attend the board meeting **Linda Troutman, Renee Johnson, Caroline McBride, Ernie Ahmad, and Mike Hensler.**

SEIU Local 517M Golf Outing is August 1st!



The annual SEIU Local 517M golf outing will be held on Thursday, August 1, 2013 at the Wheatfield Valley Golf Course in Williamston. The 4-person scramble will start with registration at 8:00 a.m. and shotgun start at 9:00 a.m. Cost is \$280 per foursome. More information and the registration form can be found at: <http://www.seiu517m.org/2013/04/26/local-517m-golf-outing/>

Annual Conference Set For July 26th

The SEIU Local 517M Annual Conference will be held on Friday, July 26, 2013 at the Lexington Hotel in Lansing. This program will be a recap of the previous year's events and planning and training for the upcoming year as we face the new challenges of being in a Right to Work environment. More information will be posted on the Local 517M website when the events

are finalized. Questions concerning the conference can be directed to Cindy Wilson at cwilson@seiu517m.org.

Insourcing: Reclaiming Public Control

From "In the Public Interest" - A Comprehensive Resource Center on Privatization and Responsible Contracting

Governments across the country are turning to reverse privatization, or "insourcing", to bring contracted functions back in-house.

Despite promised cost savings and better services, cities and states are finding that reasserting public control over public services is saving taxpayer dollars, improving the quality of our services and creating community-supporting middle class jobs.

In the Public Interest has collected some of the many insourcing cases in a backgrounder brief that highlights the experience of our states, cities, and federal government in cutting costs and increasing quality through insourcing across a wide array of sectors.

Jails - By bringing prison medical services in-house three years ago, Ohio has greatly increased the quality of services for inmates, allowing for public physicians to provide continuity of care to patients, and has achieved significant cost savings, including \$7.2 million in prison prescriptions alone.

IT Systems - In 2011, New York City took advantage of its public expertise by insourcing much of its technology work, saving New Yorkers \$100 million by consolidating server rooms and an additional \$25 million by employing talented city staff.

Water - Evansville, Indiana ended its long-term water and sewer privatization contract with American Water in 2010, shortly after the private company underwent a lawsuit from the Environmental Protection Agency involving untreated sewage leaked into a nearby river. The city estimated that ending the privatization will save the city \$14 million over a 5-year period and foresaw increased autonomy of the public to invest in the quality of the water system while preventing steep rate increases.

You can read about more cases at: <http://www.inthepublicinterest.org/>



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