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Michigan Becomes 24th Right-to-Work State—Now What?

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As expected and amid demonstrations by thousands of union supporters, the Michigan House of Representatives passed SB 116 and HB 4003, and both bills were signed by Governor Rick Snyder. Now officially known as PA 348 of 2012 and PA 349 of 2012, respectively, these Acts provide both private and public sector employees with the right to either join a union and pay dues or refrain from doing so.

What does Michigan's right-to-work law do?

The laws prohibit any term or condition of employment that requires that employees join a union or pay dues or fees to a union, i.e., "union security." They also make it illegal for anyone to use force, intimidation, or unlawful threats to attempt to influence an employee's decision whether to join or refrain from joining a union.

Who is covered by the new laws?

Private and public sector employees are covered with the exception of police, firefighters, and other public safety employee groups subject to PA 312. (Disputes have already surfaced about whether state of Michigan employees who are within the jurisdiction of the Civil Service Commission are covered by PA 349.)

When do they go into effect?

The laws go into effect 90 days after the current Michigan legislative session ends. Therefore, they will be effective around April 1, 2013, with the exact date dependent upon when the Legislature decides to end the current session.

Does the legislation change existing collective bargaining agreements?

No. Only collective bargaining agreements that expire or are amended after the effective date of the new laws are prohibited from containing union security language. Employees may still exercise religious objections and "Beck" rights under contracts containing union security clauses.

What if employees are not unionized?

The new laws have no direct affect on workplaces that are not currently represented, but they may change the way in which employers respond to organizing drives.

What impact do the new laws have on contract negotiations and labor relations?

- Unions will be motivated to reach new agreements quickly prior to the laws' effective date or seek to extend current contracts in order to maintain union security for a longer period of time.
- While employers may advise employees of their options under the new right-to-work laws, communication must be accurate and should be coordinated within an employer's overall labor relations strategy.
- Notwithstanding the new laws, the union remains the bargaining representative for all employees in the bargaining unit regardless of individual membership.
- Dues check-off provisions are still permissible for those employees who remain or become union members.
- "Members only" contracts may be negotiated.
- Employees may be subject to increased pressure to remain union members by union representatives and co-workers. (The laws make it unlawful for anyone to use force, intimidation, or unlawful threats to attempt to influence an employee's decision whether to join or refrain from joining a union.)
- It is unclear whether regulations will be promulgated to address specific issues relating to the implementation of the new laws, such as whether employees must opt -in or opt-out of union membership at the time a contract becomes subject to the right-to-work laws or whether the process will be subject to bargaining.
- Opponents of the right-to-work laws are promising legal challenges now and political action in 2014.

Additional Information

Ogletree Deakins will continue to track developments as they progress and update clients on the best strategies for implementing the new right-to-work laws. Ruthie Goodboe and Matthew A. Carmona will be discussing the new laws during a complimentary webinar for clients on Thursday, December 20, 2012. To register for this informative webinar, click here. If you would like to discuss the specific situation at your workplace, please contact the Ogletree Deakins attorney with whom you normally work or the Client Services Department via email at clientservices@ogletreedeakins.com.

Note: This article was published in the <u>December 13, 2012 issue</u> of the *Michigan eAuthority*.

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