



## Michigan Families Set Stage For Helping End Forced Unionization Schemes

**Supreme Court ruled daycare, home-based caregivers not public employees and can't be unionized**

By Jack Spencer  
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Monday's U.S. Supreme Court ruling in the Harris v. Quinn case means that parents of disabled children, relatives and friends taking care of loved ones and child care providers can no longer be forced to financially support unions simply because they receive taxpayer-provided assistance.

"I felt like doing back flips," said Sherry Loar, when asked her reaction to the high court's decision. Loar is the Petoskey child care provider, who in 2009 brought the first forced unionization of workers to the attention of the Mackinac Center for Public Policy. "Trying to bring to light the fact that this is about preventing money that belongs to families seeking aid from being sent to union slush funds has been such a long road."

Loar, along with Paulette Silverson and Michelle Berry fought the forced unionization of daycare providers all the way to the finish.

In the mid-2000s unions began viewing taxpayer funded assistance programs as potential sources of revenue. Daycare programs and the federal Home Help Program, which since the 1980s had allowed the elderly and disabled to be cared for in their homes, were the primary targets unions chose.

With help from cooperative politicians, tens of thousands of participants in these programs were subjected to forced unionizations in a number of states. These unionizations took place in a variety of ways, depending on the laws of each particular state. The Service Employees International Union took more than \$34 million from home-based caregivers in Michigan and combined with the money taken in other states, unions likely have taken hundreds of millions from caregivers across the country,

"We are thrilled . . . actually we are beyond thrilled," said Jennifer Parrish, of the Coalition of Union Free Providers, a group formed to fight forced unionizations of child daycare providers and home-based caregivers in Minnesota. "In the brief time since the ruling came down we've been getting people from all over visiting our website to find out how they can get out of the unions."

Despite repeated attempts, the unionization of daycare workers in Minnesota has yet to take place. That's due primarily to resistance from the coalition of which Parrish is a leading member. That unionization attempt has been on hold while the 8<sup>th</sup> U.S. Circuit Court of Appeals awaited the Harris v. Quinn ruling.

"Now the unions can't go forward with their unionization election," said Parrish, who is a child care provider in Rochester, Minn.

In most states, individuals who want to be free of the forced unionizations apparently will still need to file paperwork to officially leave the unions or possibly wait out legal entanglements. Not so in Michigan, where the Mackinac Center and Michigan Capitol Confidential led the fight to shed light on these schemes, which then led to them being made illegal in Michigan.

As in Minnesota, the unions in Michigan divided up the daycare providers and home-based caregivers in their unionization attempts. The SEIU went after the home-based caregivers and the American Federation of State, County and Municipal Employees (AFSCME) went after the daycare providers.

The forced unionization of Michigan's daycare providers was smaller and the scheme that supported it less elaborate than the one used for the state's home-based caregivers. Gov. Rick Snyder ended the daycare scheme shortly after taking the oath of office in January 2011. However, the path to ending the forced unionization of Michigan's home-based caregivers, which later became known as the SEIU "dues skim" involved numerous twists, turns and detours.

The SEIU's scheme in Michigan was orchestrated in 2005 when Jennifer Granholm was governor. The dues skim featured the forced unionization of Home Help Program participants, carried out with a dummy employer, a mail-in election, and cooperation from state officials, including some Republican Legislators who did not act on legislation that would have ended the scheme.

### **Imported from California**

Key organizers of the home-based caregiver forced unionization were SEIU officials from California with experience gained in the nation's first such the forced unionization, which had railroaded 155,000 Los Angeles area home-based caregivers into Local 6434. Among those organizers was Rickman Jackson, a former assistant to Andy Stern, who headed the national SEIU until 2010, and in the early months of the Barack Obama administration was known as the "man who had Obama's ear."

To facilitate the forced unionization, the Michigan Quality Care Community Council (MQC3), was created as a "dummy employer" to provide a supposed "employer-employee" relationship with the home-based caregivers. Without this fabricated relationship, the forced unionization could not have taken place.

The Michigan Bureau of Employment Relations required a signature to certify that Michigan's home-based caregivers, numbering more than 61,000 at times, were employed by the MQC3. That signature was apparently supplied by a former ACORN "community organizer."

The unionization election of Michigan's home-based caregivers was the first in state history to be carried out by mail. The union reportedly sent out about 43,000 ballots, but fewer than 20 percent were returned. Caregivers who subsequently became union members later said they did not even know there was an election and figured mail from the SEIU was junk mail or mail wrongly sent to their address.

Although most media outlets largely ignored the scheme, it gained some attention when affected families began telling their stories. Steven Glossop, an ex-Teamster, told the story of taking care of his mother and learning of the unionization scheme. Like most others, he was surprised.

"It's hard to believe the union could get away with something like this," he told Michigan Capitol Confidential in September 2012.

And then there was Robert and Patricia Haynes, who take care of their adult children who have cerebral palsy. The former Detroit police officer and his wife contacted the Mackinac Center for help when they realized the SEIU was taking money from their children.

They also stood firm in their insistence that the unionization should never have been allowed. And for doing so, Robert Haynes was called an "idiot" by Dohn Hoyle, executive director of The Arc Michigan, a group that works with people with developmental disabilities and their families.

### **Exposed but not immediately ended**

In September 2009, the Mackinac Center Legal Foundation discovered the forced unionization and information about it was released to the public. Over the following year and a half, state lawmakers became aware of what was going on.

When the dummy employer was defunded by the Legislature in 2011 it was believed the forced unionization and dues skim would end. But the SEIU funneled money to the MQC3 to keep it from folding and dues continued to be taken from the Medicaid checks. At one point the MQC3's executive director could only work three hours or less a month or she would lose her unemployment benefits.

In early 2012, Michigan Capitol Confidential began regularly reporting and writing articles about the dues skim and a "skim tracker" that tallied the SEIU's mounting bankroll from the skim was posted on the news service's website. In late March 2012, the Legislature passed legislation to outlaw the dues skim, and in April, Gov. Snyder signed it into law.

The SEIU then turned to federal court to keep the dues flowing to its coffers. The court ruled that the union could continue receiving dues from the checks as long as a collective bargaining agreement existed between the union and the dummy employer.

With its dues skim endangered, the SEIU bankrolled Proposal 4 in 2012 to try to lock it into the state constitution. Backers of the proposal attempted to fool uninformed voters that the proposal would create programs that, in reality, had already existed for years. But in November, Michigan's voters soundly defeated the measure.

Gov. Snyder then replaced the MQC3 board of directors with new members who would represent workers and taxpayers instead of the union. In December 2012, the new board members voted to disband the MQC3, which led to an end to the dues skim as soon as the collective bargaining agreement expired at the end of February 2013.

The Mackinac Center Legal Foundation has filed a complaint against the SEIU to try to get back some of the dues that was paid to the SEIU. That case is still pending. The Legal Foundation also filed an amicus brief in the Harris v. Quinn case and joined the Cato Institute and the National Federation of Independent Business in another filed with the Supreme Court.

Officials from the SEIU Healthcare Michigan, the union affiliate tied most closely to the dues skim, did not respond to a request for comment.