Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4004 (Substitute H-6 as reported without amendment)
Sponsor: Representative Regina Weiss
House Committee: Labor
Senate Committee: Labor

**CONTENT**

The bill would amend the public employment relations Act to do the following:

-- Delete a provision allowing a public employee to refrain from labor organizing and collective bargaining.
-- Delete a provision prohibiting a person from compelling any public employee to join in or refrain from labor organization and collective bargaining, and fines prescribed for a violation of this provision.
-- Specify that the Act would not preclude a public employer from making an agreement with an exclusive bargaining representative to require as a condition of employment that all other employees in the bargaining unit pay to the exclusive bargaining representative a service fee equal to the amount of dues uniformly required of members.
-- Prohibit a local government from limiting or prohibiting an agreement that required public employees in a bargaining unit to pay a bargaining representative as described above.
-- Appropriate $1.0 million to the Department of Labor and Economic Opportunity for fiscal year (FY) 2023-2024 for the bill's implementation.

The bill would take effect 90 days after its enactment.

MCL 423.209 et al.

**BRIEF RATIONALE**

Public Act 348 of 2012 prohibited mandatory union fees for private employees, a prohibition commonly known as "right-to-work". Some people believe that "right-to-work" laws make it harder for unions to collectively bargain and lead to lower wages and poorer benefits for employees on average. Accordingly, it has been suggested that Michigan's "right-to-work" laws be eliminated.

Legislative Analyst: Tyler P. VanHuyse

**FISCAL IMPACT**

The bill would result in the elimination of civil fines of $500 for violations of statutory provisions that the bill would eliminate. Any fine revenue was previously deposited in the State's General Fund/General Purpose (GF/GP) account for State use. Elimination of the fines would result in a loss in revenue to the State's GF/GP account, the amount of which is indeterminate. Any loss in revenue would depend on the number of violations that would have been levied under current law. The bill also includes a $1.0 million FY 2023-24 appropriation to LEO for implementation costs related to the bill. It is not clear what the actual amount of these costs would be, or how much, if any, of this appropriation would be spent.

Date Completed: 3-14-23 Fiscal Analyst: Joe Carrasco, Jr.