

Michigan Civil Service Commission

Regulation 6.03

Subject: Dues and Fees Deduction		
SPDOC No.: 201-0516	Effective Date: December 30, 2020 <u>January 1, 2022</u>	Replaces: Reg. 6.03 (SPDOC 1820-16-07, January 30, 2019 <u>December 1, 2020</u>)

1. Purpose

This regulation provides procedures to collect dues ~~and service fees~~ from labor-organization members ~~and fee payers~~.

2. CSC Rule References

6-7 Dues and Service Fees

6-7.1 Payroll Deduction

If agreed to in a collective bargaining agreement, the state may deduct the dues or service fee of a member of an exclusively represented bargaining unit through payroll deduction. An appointing authority cannot deduct membership dues or service fees unless the employee has made a voluntary authorization, which shall be retained while relied upon to authorize deductions. Effective January 1, 2022, the state shall not deduct service fees by payroll deduction.

6-7.2 Authorization and Notice

The director shall establish the exclusive process for employees to authorize or deauthorize deduction of dues or fees. An authorization will expire at the start of the first full pay period each fiscal year unless it was authorized or reauthorized during the previous fiscal year. The director shall provide annual notice to all exclusively represented employees of the right to join or not join an exclusive representative without affecting employment status, the right not to maintain membership in an exclusive representative to retain employment, an exclusive representative's duty of fair representation to all bargaining-unit members, and the prohibition on union activities during actual-duty time.

6-8 Recognition Rights for Labor Organizations

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6-8.3 Limited-Recognition Organizations

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(a) Limited-recognition status and payroll deduction of dues. The state personnel director shall recognize as a limited-recognition organization an organization that registers with the director and

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provides (1) a copy of its constitution, bylaws, or other governing documents; (2) the names and addresses of its officers; (3) proof of registration as a nonprofit corporation in the state of Michigan; and (4) proof of membership of 50 or more excluded employees. Proof of membership must be in the form of signed membership application forms. Upon submission to the office of the state employer of 50 or more appropriate dues deduction cards, such an organization has the privilege of payroll deduction of dues for members who are excluded. An employee cannot have the privilege of payroll deduction of dues to more than one organization.

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3. Definitions

A. CSC Rule Definitions.

1. **Exclusive representative** means a labor organization granted recognition and certified as the sole representative of all employees in an appropriate unit.
2. **Labor organization** means an employee organization recognized by the state personnel director as (1) an exclusive representative of eligible employees or (2) a limited-recognition organization.
3. **Limited-recognition organization** means a labor organization recognized by the state personnel director to represent employees in nonexclusively represented positions.

4. Standards

A. Dues ~~or Fee~~ Deduction to Exclusive Representative. If agreed to in a valid collective bargaining agreement, an exclusive representative may use payroll deduction for dues ~~or service fees~~ as authorized by individual members in its bargaining unit. ~~Effective January 1, 2022, the state shall not deduct service fees by payroll deduction.~~ Employees in an exclusively represented unit cannot pay dues ~~or fees~~ through payroll deduction to, nor be represented by, an employee organization or agent other than the organization certified as their unit's exclusive representative.

B. Dues Deduction to Limited-Recognition Organization. A limited-recognition organization, upon approval of the state employer, may use payroll deduction for dues as authorized individually by its nonexclusively represented employee members. An employee cannot deduct and remit dues from earnings to multiple organizations.

C. Employee Deductions.

1. **Payroll Deduction Authorization.** An exclusively represented employee who intends to pay member dues ~~or service fees~~ or a NERE who intends to pay dues to a limited-recognition organization by payroll deduction must authorize the deduction in HRMN using HR Self Service before any payment can be made. Valid payroll deduction cards in effect on December 31, 2018, provide authorization for continued deduction, subject to required reauthorization.

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2. **Employee Cancellation.** An employee may cancel payroll deduction of dues ~~or fees~~ anytime in HRMN using HR Self Service.
3. **Effective Date.** An employee's initiation or termination of deductions is effective the pay period after the request is received.
4. **Automatic Cancellation.** Any of the following automatically terminates an employee's deduction authorization:
 - a. An employee's separation from employment or layoff of 180 days.
 - b. A labor organization's decertification or derecognition.
 - c. As of the start of the first full pay period each fiscal year, an exclusively represented employee's failure to authorize or reauthorize payroll deduction for dues ~~or fees~~ during the previous fiscal year using HR Self Service.
5. **Reporting.** Civil Service staff shall electronically provide a biweekly report of new authorizations and cancellations to labor organizations.

D. Changes in Deduction Amounts. Group increases or decreases in the amount of deductions require application to the state employer. The employee organization must provide the state employer a certification that membership authorized the change and that notice has been given to all members. The state employer shall ensure that the change is implemented the payroll period following state employer approval.

CONTACT

Questions on this regulation may be directed to the Office of the General Counsel, Civil Service Commission, P.O. Box 30002, 400 South Pine Street, Lansing, Michigan 48909; 517-284-0093; or MCSC-OGC@mi.gov.