

## **BREAKING NEWS — SEIU SHAKE-UP: Reports of alleged 'potential financial malpractice' leave local union without authority to act**

*By: Maureen Rouse-Ayoub, Co-chair, Workplace Law Practice Group*

**O**n February 14, 2017, SEIU International (the “International”) President Mary Kay Henry placed SEIU Healthcare Michigan (Local Union) into emergency trusteeship based on reports of alleged “potential financial malpractice”. Under the trusteeship, all Local Union officers, executive board members, and trust fund representatives were automatically removed from office. Local Union leadership is without authority to act on behalf of the local.

The International has assigned

responsibility for the Local Union to Tom Balanoff (President of Local 1 which represents property service workers), Inga Skippings (SEIU Chief of Staff with a long history of working on organizing campaigns) and Ed Burke (40 years of experience organizing unions). The International is now conducting an investigation of the reports. Employers that have labor contracts and grievance proceedings with the Local Union should take care to ensure that they are communicating with an authorized representative. Although officers, executive board members, and trust fund representatives were automatically removed, Local Union staff and stewards

are subject to removal by the trustees.

The trusteeship does not change existing labor contracts. According to an FAQ issued by the International, trustees

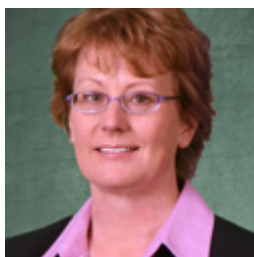
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plan to visit members' worksites and convene membership meetings to answer

union member questions. Once the International resolves the issues that resulted in the trusteeship, the trustees intend to create a process to involve the members in revising the local union constitution and an election of officers and board members. In anticipation of these visits, employers should review their labor contract provisions on union access during the work day.



**About the Author. Maureen Rouse-Ayoub** is the co-chair of Bodman's Workplace Law Practice Group and represents management in the private and public sectors. Her litigation experience includes defending claims alleging discrimination on the basis of sex, race, age, national origin, sexual harassment, disability discrimination, whistle blower claims, and wrongful discharge. Maureen has been listed in Michigan Super Lawyers® since 2012.

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