

**SUBSTITUTE FOR  
HOUSE BILL NO. 4005**

A bill to amend 1939 PA 176, entitled

"An act to create a commission relative to labor disputes, and to prescribe its powers and duties; to provide for the mediation and arbitration of labor disputes, and the holding of elections thereon; to regulate the conduct of parties to labor disputes and to require the parties to follow certain procedures; to regulate and limit the right to strike and picket; to protect the rights and privileges of employees, including the right to organize and engage in lawful concerted activities; to protect the rights and privileges of employers; to make certain acts unlawful; to make appropriations; and to prescribe means of enforcement and penalties for violations of this act,"

by amending sections 1, 2, 14, and 17 (MCL 423.1, 423.2, 423.14, and 423.17), as amended by 2012 PA 348.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**1**           Sec. 1. It is hereby declared as the public policy of this



1 state that the best interests of the people of the state are served  
2 by ~~protecting their right to work in a manner consistent with~~  
3 ~~section 14(b) of the national labor relations act, 29 USC 164(b),~~  
4 ~~and preventing or promptly settling labor disputes; that strikes~~  
5 ~~and lockouts and other forms of industrial strife, regardless of~~  
6 ~~where the merits of the controversy lie, are forces productive~~  
7 ~~ultimately of economic waste; that the interests and rights of the~~  
8 ~~consumers and the people of the state, while not direct parties~~  
9 ~~thereto, should always be considered, respected and protected; and~~  
10 ~~that the voluntary mediation of such disputes under the guidance~~  
11 ~~and supervision of a governmental agency will tend to promote~~  
12 ~~permanent industrial peace and the health, welfare, comfort and~~  
13 ~~safety of the people of the state.~~

14 Sec. 2. As used in this act:

15 (a) "Company union" includes any employee association,  
16 committee, agency, or representation plan, formed or existing for  
17 the purpose, in whole or in part, of dealing with employers  
18 concerning grievances or terms and conditions of employment, which  
19 in any manner or to any extent, and by any form of participation,  
20 interference, or assistance, financial or otherwise, either in its  
21 organization, operation, or administration, is dominated or  
22 controlled, sponsored or supervised, maintained, directed, or  
23 financed by the employer.

24 (b) "Dispute" and "labor dispute" include, but are not  
25 ~~restricted-limited~~ to, any controversy concerning terms, tenure, or  
26 conditions of employment, or concerning the association or  
27 representation of employees in negotiating, fixing, maintaining, or  
28 changing terms or conditions of employment, regardless of whether  
29 the disputants stand in the proximate relation of employer and



1 employee.

2 (c) "Commission" means the employment relations commission  
3 created by section 3.

4 (d) "Person" includes an individual, partnership, association,  
5 corporation, business trust, labor organization, or any other  
6 private entity.

7 (e) "Employee" includes any employee, and is not limited to  
8 the employees of a particular employer, unless ~~the~~**this** act  
9 explicitly provides otherwise, and includes any individual whose  
10 work has ceased as a consequence of, or in connection with, any  
11 current labor dispute or because of any act that is illegal under  
12 this act, and who has not obtained any other regular and  
13 substantially equivalent employment, but does not include any  
14 individual employed as an agricultural laborer, or in the domestic  
15 service of any family or any person at ~~his~~**the person's** home, or  
16 any individual employed by ~~his~~**the person's** parent or spouse, or  
17 any individual employed as an executive or supervisor, or any  
18 individual employed by an employer subject to the railway labor  
19 act, 45 USC 151 to 188, or by any other person who is not an  
20 employer. ~~as defined in this act.~~

21 (f) "Employer" means a person and includes any person acting  
22 as an agent of an employer, but does not include the United States  
23 or any corporation wholly owned by the United States; any federal  
24 reserve bank; any employer subject to the railway labor act, 45 USC  
25 151 to 188; ~~the~~**this** state or ~~any a~~ political subdivision ~~thereof;~~  
26 **of this state; or** any labor organization, or anyone acting in the  
27 capacity of officer or agent of ~~such a~~ labor organization, other  
28 than when acting as an employer. ~~; or any entity subject to 1947 PA~~  
29 ~~336, MCL 423.201 to 423.217.~~



1 (g) "Labor organization" means any organization of any kind,  
2 or any agency or employee representation committee or plan, in  
3 which employees participate and that exists for the purpose, in  
4 whole or in part, of dealing with employers concerning grievances,  
5 labor disputes, wages, rates of pay, hours of employment, or  
6 conditions of work.

7 Sec. 14. ~~(1) An individual shall not be required as a~~  
8 ~~condition of obtaining or continuing employment to do any of the~~  
9 ~~following:~~

10 ~~(a) Refrain or resign from membership in, voluntary~~  
11 ~~affiliation with, or voluntary financial support of a labor~~  
12 ~~organization.~~

13 ~~(b) Become or remain a member of a labor organization.~~

14 ~~(c) Pay any dues, fees, assessments, or other charges or~~  
15 ~~expenses of any kind or amount or provide anything of value to a~~  
16 ~~labor organization.~~

17 ~~(d) Pay to any charitable organization or third party an~~  
18 ~~amount that is in lieu of, equivalent to, or any portion of dues,~~  
19 ~~fees, assessments, or other charges or expenses required of members~~  
20 ~~of or employees represented by a labor organization.~~

21 ~~(2) An agreement, contract, understanding, or practice between~~  
22 ~~or involving an employer and a labor organization that violates~~  
23 ~~subsection (1) is unlawful and unenforceable. This subsection~~  
24 ~~applies only to an agreement, contract, understanding, or practice~~  
25 ~~that takes effect or is extended or renewed after the effective~~  
26 ~~date of the 2012 amendatory act that amended this section.~~

27 ~~(3) Subsections (1) and (2) shall be implemented to the~~  
28 ~~maximum extent permitted by the United States constitution and~~  
29 ~~federal law.~~



1       ~~(4) The court of appeals has exclusive original jurisdiction~~  
 2 ~~over any action challenging the validity of subsection (1), (2), or~~  
 3 ~~(3). The court of appeals shall hear the action in an expedited~~  
 4 ~~manner.~~

5       ~~(5) A person, employer, or labor organization that violates~~  
 6 ~~subsection (1) is liable for a civil fine of not more than \$500.00.~~  
 7 ~~A civil fine recovered under this section shall be submitted to the~~  
 8 ~~state treasurer for deposit in the general fund of this state.~~

9       ~~(6) Except for actions required to be brought under subsection~~  
 10 ~~(4), a person who suffers an injury as a result of a violation or~~  
 11 ~~threatened violation of subsection (1) may bring a civil action for~~  
 12 ~~damages, injunctive relief, or both. In addition, a court shall~~  
 13 ~~award court costs and reasonable attorney fees to a plaintiff who~~  
 14 ~~prevails in an action brought under this subsection. Remedies~~  
 15 ~~provided for in this subsection are independent of and in addition~~  
 16 ~~to other penalties and remedies prescribed by this act.~~

17       ~~(7) For fiscal year 2012-2013, \$1,000,000.00 is appropriated~~  
 18 ~~to the department of licensing and regulatory affairs to be~~  
 19 ~~expended to do all of the following regarding the amendatory act~~  
 20 ~~that added this subsection:~~

21       ~~(a) Respond to public inquiries regarding the amendatory act.~~

22       ~~(b) Provide the commission with sufficient staff and other~~  
 23 ~~resources to implement the amendatory act.~~

24       ~~(c) Inform employers, employees, and labor organizations~~  
 25 ~~concerning their rights and responsibilities under the amendatory~~  
 26 ~~act.~~

27       ~~(d) Any other purposes that the director of the department of~~  
 28 ~~licensing and regulatory affairs determines in his or her~~  
 29 ~~discretion are necessary to implement the amendatory act.~~



1 (1) An employer and a labor organization may enter into a  
 2 collective bargaining agreement that requires all employees in the  
 3 bargaining unit to share fairly in the financial support of the  
 4 labor organization. This act does not, and a law or policy of a  
 5 local government must not, prohibit or limit an agreement that  
 6 requires all bargaining unit employees, as a condition of continued  
 7 employment, to pay to the labor organization membership dues or  
 8 service fees.

9 (2) For fiscal year 2023-2024, \$1,000,000.00 is appropriated  
 10 to the department of labor and economic opportunity to be expended  
 11 to do all of the following regarding the 2023 amendatory act that  
 12 added this sentence:

13 (a) Respond to public inquiries regarding the amendatory act.

14 (b) Provide the commission with sufficient staff and other  
 15 resources to implement the amendatory act.

16 (c) Inform employers, employees, and labor organizations about  
 17 changes to their rights and responsibilities under the amendatory  
 18 act.

19 (d) Any other purposes that the director of the department of  
 20 labor and economic opportunity determines in the director's sole  
 21 discretion are necessary to implement the amendatory act.

22 Sec. 17. ~~(1) An employee or other~~ A person shall not by force,  
 23 intimidation, or unlawful threats compel or attempt to compel any  
 24 person to do any of the following:

25 (a) Become or remain a member of a labor organization or  
 26 otherwise affiliate with or financially support a labor  
 27 organization.

28 (b) Refrain from ~~engaging in employment or refrain from~~  
 29 joining a labor organization or otherwise affiliating with or



1 financially supporting a labor organization.

2 ~~(c) Pay to any charitable organization or third party an~~  
3 ~~amount that is in lieu of, equivalent to, or any portion of dues,~~  
4 ~~fees, assessments, or other charges or expenses required of members~~  
5 ~~of or employees represented by a labor organization.~~

6 ~~(2) A person who violates this section is liable for a civil~~  
7 ~~fine of not more than \$500.00. A civil fine recovered under this~~  
8 ~~section shall be submitted to the state treasurer for deposit in~~  
9 ~~the general fund of this state.~~

