



Bylaws (BL #2)

1 **Subject:** Resolution to Amend the Union Dues Structure

2 **Authored by:** Chelsea Alionar

3 **Submitted by:** Sub Local 200

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5 **WHEREAS**, the current Union dues structure imposes financial strain on our members,
6 particularly in light of inflationary pressures over the last four years.

7 **WHEREAS**, there is a pressing need to ensure fair and equitable dues for all members
8 while mitigating the impact of inflation on their finances.

9 **WHEREAS**, a revised dues structure can alleviate the burden on members, foster great
10 solidarity, and sustain the financial health of the Union.

11 **WHEREAS**, with an increase of members working remotely, the Union has experienced
12 significant cost savings in administrative and organizing expenses.

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14 **BE IT RESOLVED** that SEIU Local 503, OPEU shall amend the Union dues structure
15 as follows:

- 16 • Current: 1.7% of the member’s gross monthly salary for time in regular pay
17 status, or \$5, whichever is greater
- 18 • Proposed: 1.27% of the member’s gross monthly salary for time in regular pay
19 status with a minimum of \$5 and a maximum of \$120.

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21 **BE IT FURTHER RESOLVED** that this revised dues structure, with a maximum
22 monthly payment of \$120, shall come into effect immediately upon approval of General
23 Council and after a Membership vote.

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25 **BE IT FURTHER RESOLVED** that the SEIU Local 503, OPEU shall communicate
26 this change to all members, highlighting the Union’s efforts to address financial strain
27 during times of economic uncertainty and leveraging cost savings from remote work.

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29 **BE IT FURTHER RESOLVED**, that this resolution shall be presented to General
30 Council for approval at the earliest opportunity, recognizing the importance of addressing
31 financial strain exacerbated by inflationary pressures and leveraging cost savings from
32 remote work initiatives, and ensuring dues affordability through a capped structure.

33 **BE IT FURTHER RESOLVED**, that if General Council adopts the resolution, a waiver
34 will be requested from the SEIU International Union before the resolution can be referred
35 to the membership for a vote.

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37 **BE IT FURTHER RESOLVED**, that the Bylaws of SEIU Local 503, OPEU be
38 amended as follows:

39 **ARTICLE XVIII - DUES**

40 Section 1. Union dues shall be as follows:

41 (a) Dues for active and staff members are ~~1.7 percent (1.7%)~~ 1.27 percent (1.27%) or

42 \$5.00 (five dollars), whichever is greater with a maximum of \$120.00 per month, of the
43 member's gross monthly salary for time in regular pay status.

IMPACT STATEMENTS

Financial: Based on an analysis of our 2023 Dues throughout the year, the impact to the dues income would be a reduction of the dues in 2023 from \$30,365,895 to \$22,540,246, a 26% reduction in dues. Based on April 2024 dues, 660 members would be impacted by the \$120 cap at a dues rate of 1.27%. The reduction in income mainly comes from the lowering of dues from 1.7% to 1.27%.

There are parts of our budget that would not be able to be reduced. For example, 15% of our budget goes to per capita payments to the International Union. If the dues rate was reduced, the per capita payments would not be reduced, they would then just account for a larger percent of our budget because there would be less revenue. In addition, we do have an obligation to spend 20% of our dues on external organizing, which would impact what could be reduced in the budget.

We also have a contract for our Member Assistance Center (MAC) to take incoming calls for the Carewell Trusts to help handle homecare worker questions regarding benefits. If the contract stayed in place, in order to meet the terms of the contract, we would not be able to cut the MAC as a part of budget reductions.

Dues makes up 83% of the overall income. The contract with the MAC is 12% of our income and the other 5% comes from a variety of sources. The reduction to dues would be a 22% reduction in the overall income to our union.

Our 23-24 budget is \$31,309,461 without the International per-caps, since they could not be reduced. Personnel is \$23,490,509 (75% of the budget) and operations and program costs are \$7,818,952 (25% of the total). Personnel accounts for salary, benefits and travel for the 167 budgeted staff. Program and operational expenses include MLDP programs, bargaining campaigns, arbitrations, communications/mailings, travel for bargaining teams, campaign expenses, facilities/offices, membership processing, human resources, data, finance, trainings, general council, board meetings and committees and more.

Even if we cut every operational and program expense in the budget, which is not possible, we could not meet the reduction in dues. If we cut the operational expenses by 40%, which would have significant impacts on program and our ability to maintain membership and communication with members, we would have to cut \$4,698,068 from personnel. If we take the personnel budget and divide it by the 167 staff we budgeted, that would be a minimum of 33 staff that would need to be cut, 20% of all staff. As mentioned above, the MAC would likely not be reduced because of the contract we have with Carewell, which would impact which departments those cuts would come from.

Equity: The members of the equity impact committee believe that this resolution would have a significant negative impact on our union's equity and inclusion goals and priorities. Reducing our budget could result in cutting existing resources to our priority

equity and inclusion programs and projects, in addition to rendering any new and future equity work infeasible.

Legal: Dues caps or maximums are prohibited by the SEIU Constitution. The Union would be required to receive a waiver from the International before a dues cap can be fully approved and implemented. SEIU International considers multiple factors when granting a waiver (see Constitution Article XV, Section 6(d)) and International approval of a significant reduction in Union resources as proposed in this resolution is uncertain.

Political: Indeterminate