Key Findings and Recommendations Committee on the Future Service Employees International Union, Local 73

In January 2018, the SEIU Local 73 Trustees announced that they would be appointing a Committee on the Future of Local 73 to review the Local’s constitution and bylaws, finances, and member strength program. Since then, a Committee of 28 rank-and-file members and leaders as diverse as the Local’s membership in geography, worksites, and opinions met for over 18 sessions and have put in hundreds of volunteer hours planning for the future of SEIU Local 73. Below are the Committee’s Key Findings, Conclusions and Recommendations for improvements to Local 73’s Constitution and Bylaws, and other proposed reforms, to ensure that Local 73 returns to self governance as a strong, democratic, member driven union.

Committee on the Future Meeting, May 2018
Key Findings

Finding 1: Before the trusteeship, the Local had structures in place that encouraged a staff and top officer driven union, to the detriment of rank-and-file members and the organization.

• The worst example of this was the 106 member Executive Board, set up with rules that required candidates to obtain almost 700 signatures in order to even be eligible to run. The old rules discouraged competitive elections. In fact, there has not been a single contested election in the Local in at least 20 years. The process meant that as a practical matter, the only way to get on the executive board was to run on a slate with the top officers. The result was an executive board that was not at all representative of the membership. Just before the trusteeship, Local 73 staff, who only constitute 0.16% of the entire membership, made up almost a quarter of the Executive Board. Other gross inequities existed as well. For example, Chicago Public School workers, who make up almost a quarter of the Local’s members, only held around 5 percent of positions on the Executive Board.

• Committees established by the old bylaws were, by and large, never constituted.

• The Local didn’t encourage members to be involved, and too often, decisions were made without involving the members affected. There was no comprehensive program to identify, develop and retain member activists and stewards. All of the stewards in the union combined only filed around 150 grievances a year.

• As a result of these structural deficiencies, member engagement in the Local was low and members’ perceptions of the Local were poor. Too many workers saw the union as weak, and didn’t see the Local as a place where we could make a real difference by getting involved.

Finding 2: There were insufficient financial controls in place to protect against financial transactions that were not in the best interest of the members and the organization.

As a result, the Local was in a dire financial situation when the trusteeship was put in place, and was only able to pay its bills in 2016 by borrowing money. The Local had entered into various imprudent financial arrangements, such as a long-term lease on office space at above-market rates for more space than the Local needs, which will cost the union close to a million dollars per year by the end of the lease term in 2028, and another long-term lease for office equipment that requires the Local to pay for many more copiers and printers than needed at an inflated price, costing the local $250,000 per year. These long-term financial commitments were made exclusively by top officers without any member involvement or oversight. Likewise, in more than one instance, members learned of political donations from the Local to candidates for public office for the first time after the money had already been donated by the top officers.
Key Findings

Finding 3: It is impossible for Local staff alone to service, organize and mobilize the nearly 30,000 workers represented by the union.

Local 73 represents workers covered by over 200 collective bargaining agreements, who work in more than 2,000 distinct worksites. At the same time, it employs less than 30 field staff responsible for organizing, mobilizing and servicing these members, negotiating collective bargaining agreements, and identifying and developing member leaders. No matter how hard union staff work, they cannot possibly cover the 2,000 worksites where members work, and the Local is limited in its ability to add staff given budget constraints and the likely negative financial impact of the Janus decision. The truth is that we are much stronger when the employer understands that they must respect the members in the worksites because the members have the education and organization they need to enforce the contract and get fair treatment all the time—not just when a union staff person happens to be there.
1. In order to have a union that members participate in, own, and are proud of, and that is sustainable long-term, the structures of the Local must rise up from the workplace, not down from the top officers.

2. The Local must use its limited staff resources in the most effective manner to service, organize and mobilize workers, and support and empower member leaders.

3. Financial controls, where members decide how the assets or the Local are utilized, are essential in order to ensure that the union is on sound financial footing and makes sound financial decisions in the best interests of the union and its members.
Key Recommendations

Recommendation 1: The Local’s Constitution and Bylaws should ensure broad participation by rank-and-file members in their union:

• An Executive Board will be elected in the fall of 2018 with primary governing responsibility whose makeup is reflective of the composition of the Local so that members, and not top officers, select their representatives.

• An Executive Committee drawn from the Executive Board will be established that will be composed of a majority of rank-and-file members responsible for implementing the programs of the Local.

• During the transition period after the initial election of Executive Officers and the Executive Board, those officers will be charged with publicizing Leadership Assembly positions and recruiting activists and stewards, and developing chapter structures.

• A Leadership Assembly of hundreds of rank-and-file delegates will be selected by their coworkers in early 2019 to set the policy and program of the union for the future. These Leadership Assembly delegates will only be eligible for positions where they work, and will be selected by the members where they work.

• The Local’s officers will be charged explicitly with ensuring that there is at least one activist in every worksite and at least one trained, democratically selected steward for every 50 represented workers.

• Member leaders will be recognized for the important work that they do in their union.
Key Recommendations (cont’d)

Recommendation 2: The Constitution and Bylaws should require important financial controls where rank-and-file members direct the expenditure of the Local’s resources.

• A rank-and-file Board of Trustees will be selected by the Executive Board after publicizing the positions, tasked with reviewing the finances of the organization to ensure that funds are being spent for the benefit of the membership.

• The annual budget must be presented to the Executive Board for approval, with reports to the Executive Board of any variance in monthly expenses from the budget.

• Competitive bidding and Executive Board rank-and-file member pre-approval of major expenditures shall be required.

• A process will be established in the bylaws for rank-and-file members to approve political endorsements and donations.

The full Constitution and Bylaws that the Committee on the Future proposes will be shared with the entire membership, and the Committee will hold meetings with members in worksites and at the union’s offices and across the State of Illinois and in Northwest Indiana to explain why these reforms are needed and to seek the full membership’s ratification of the Constitution and Bylaws. Thereafter, the Constitution and Bylaws will be presented to the International President for approval, at which time the Trustees will make a recommendation on returning the Local to self-governance.

Recommendation 3: The Local should implement a full-functioning Member Resource Center as soon as practical so that members who contact the union are able to connect immediately with a knowledgeable union staff member, and so that the limited number of union staff can be deployed effectively, and using the most current technology, to service the membership.

Recommendation 4: The Committee does not recommend any immediate adjustment in membership dues. However, the Committee does recommend that the Local take immediate steps to reduce unnecessary spending and maintain a reserve fund for, among other things, a strike and defense fund. After the Local is returned to self-governance, the new officers and executive board should review the full financial situation at the Local, including all assets, liabilities, and expenditures, and then evaluate what revenue is needed to sustain a strong union and the most equitable way to raise the necessary funds.

The full report of each subcommittee is available on the Local’s website (www.SEIU73.org), or by contacting us at (312) 787-5868.