2018 WAS AN EXCITING YEAR FOR THE SUGAR LAW CENTER. IN A HISTORIC ELECTION, WE SAW A MEMBER OF OUR TEAM, RASHIDA TLAIB, ELECTED TO THE UNITED STATES HOUSE OF REPRESENTATIVES, REPRESENTING THE 13TH DISTRICT OF MICHIGAN. ALONG WITH ANOTHER NEWLY ELECTED MEMBER, SHE BECOMES ONE OF THE FIRST MUSLIM WOMEN ELECTED TO CONGRESS. WHILE RASHIDA WAS ON LEAVE DURING HER CAMPAIGN, OUR WORK CONTINUED AND THE FOLLOWING PARAGRAPHS LIST JUST SOME OF THE SUGAR LAW CENTER’S ACHIEVEMENTS IN 2018:

FAIR PLAY FOR THE UNEMPLOYED
Seeking Accountability from Corporate Enablers
Arising from our five-year battle against Michigan’s unfair unemployment insurance practices, the Sugar Law Center joined as co-counsel in a lawsuit against the vendors who designed and implemented the State of Michigan’s “robo-fraud” system. The case alleges that the designers of the software incorporated algorithms resulting in clear violations of claimants’ due process rights and that vendors were reckless in implementing a design that disregarded facts in favor of producing increased fraud charges and inflated penalties to help fill State coffers. In 2018, we defeated each of the defendants’ efforts to have the case dismissed and we have begun discovery to uncover the decision making process that allowed the state to implement the unconscionable robo-fraud system.

Representation of the Unemployed Wrongfully Charged with Fraud Penalties
As a result of the State of Michigan’s “robo-fraud” system, thousands of unemployed workers were wrongfully charged with fraud and ordered to pay severe penalties. While the automated system was ended as part of our settlement with the State in 2017, the fallout continues. The Sugar Law Center continues to provide direct representation to claimants where the State continues to pursue bogus fraud charges—often because of errors in prior appeals and reviews. We also continue to represent claimants who have not been reimbursed after having made payments to the State before their fraud charges were overturned.

Changes to the State of Michigan’s Unemployment Insurance System
As a result of the success of hundreds of individual cases brought by our office exposing rampant abuses occurring in the state Unemployment Insurance Agency, we continue to see changes implemented in the state’s unemployment insurance system. This year the legislature finally adopted rules to reduce by half the time-limit for the state pursue collection activity against claimants; greatly reduce the amount of penalties against claimants who make inadvertent errors on claims forms; and expand claimants eligibility for hardship waivers.

STANDING UP FOR OUR COMMUNITIES
Community Benefits Movement
The Sugar Law Center continues to provide support to the community benefits movement in Detroit and across the state. Along with our partners at the Equitable Detroit Coalition, we continue to work to amend Detroit’s community benefits ordinance to add measures to achieve true community representation and voice in the development process and to secure accountability from developers who receive large public subsidies and too often fail to deliver promised jobs and other benefits.

Throughout 2018, the Sugar Law Center has stood with the West Grand Boulevard Collaborative (WGBC) in negotiations with Henry Ford Health System to reach an agreement concerning the hospital’s new cancer center development. The negotiations have been long and protracted, yet the community’s efforts to preserve
the residential character of their neighborhood and achieve economic opportunities and quality of life improvements for long-time residents is nothing less than inspiring. We will continue to support WGBC on this and other efforts in the years ahead.

Unfair Traffic Penalties Target the Poor
The SLC and our partners at Equal Justice Under Law continue to litigate a class-action lawsuit on behalf of low-income persons who have lost their drivers license due to their inability to pay traffic fines and fees. Often when low-income persons cannot immediately pay assessed fees and fines, they lose their driver’s license. They are then forced to choose between driving on a suspended license and losing their employment because of their inability to drive. Within two months following the court’s granting an injunction prohibiting the suspension of licenses without an ability-to-pay hearing, the state was finally moved to act on bills that had been pending for years in the legislature and repealed drivers responsibility fee legislation that added hundreds and even thousands of dollars in fees to fines assessed in traffic court. The repeal of this legislation will result in the restoration of up to 350,000 persons drivers licenses.

Fair Funding for Low Income Communities
In 2018, our office continued to represent Taxpayers for Michigan Constitutional Government (TMCG) in a lawsuit alleging that the State of Michigan has failed to meet the revenue sharing requirements established by our State Constitution under the Headlee Amendment. The failure to meet the revenue sharing requirements has resulted in the wide loss of services in municipalities across the state and has hit urban communities the hardest. This year, the parties filed cross-motions for summary dispositions and expect a ruling from the Court of Appeals in the months ahead.

WORKER JUSTICE
Representing the Unrepresented
Even non-union workers have a right to get together to improve their working conditions, and the Sugar Law Center trains workers on these rights as well as files federal claims with the National Labor Relations Board (NLRB) on their behalf. This year we obtained three settlements on behalf of groups of workers who faced termination following workers’ refusal to drive unsafe vehicles, refusal to follow policies that prohibited employees from talking with one another regarding workplace conditions, and complaining to their employer regarding unlawful workplace deductions.

Advocating for LGBT Workers
Last year, the Sugar Law Center and co-counsel filed suit on behalf of a transgender McDonald’s employee who experienced multiple instances of sexual harassment and discrimination on the job. In addition to daily insults from co-workers, managers also prevented her from using the restrooms used by other employees, relegating her to clean out and use a bathroom previously used as a storage closet. In 2018, the Sugar Law Center obtained a confidential settlement in favor of our client. The case represents one of the few cases in the State of Michigan in support of transgender workers’ rights. The Sugar Law Center will continue to seek expansion of protections for LGBT workers who too often face workplace discrimination.

Fighting Workplace Discrimination
In 2018, the Sugar Law Center continued to protect the rights of workers who are the victim of unlawful discrimination in the workplace initiating three new cases and resolving two others. The discrimination faced by each of these workers included failure to promote, harassment, and wicked indignities in the workplace. In recent weeks, we have undertaken representation of the only black front-of-the-house staff at Kid Rock’s restaurant within the Little Caesar’s Arena development who was summarily terminated after engaging in conduct that other employees regularly undertook without any sanction from management.

A Measure of Justice for Laid Off Workers
The Sugar Law Center continues to represent thousands of workers laid off with no advance notice as required by the Workers Adjustment and Retraining Notification (WARN) Act. In 2018, settlements were reached with five employers resulting in meaningful payments to affected workers.
WAGE JUSTICE
Justice for Vocational Students
Over the past decades, with the explosive increase in for-profit vocational programs has come wide-spread exploitation of student labor. These schools often operate on a model where profits are derived from maximizing revenue from federal student grants and loans and using student labor to generate revenue. In 2018, the Sugar Law Center’s lawsuit on behalf of cosmetology students in Illinois, Tennessee, and Michigan was actively litigated throughout the year. The class action suit challenges current trade school models where students perform fee based services on patrons and student labor is further used for internal school maintenance and administration tasks, displacing paid staff. The school’s use of free student labor gives them an unfair marketplace advantage against stand-alone salons and must therefore be compensated. This year, both parties filed motions for summary judgment and we are proud to report that we prevailed. Defendants’ motion was denied, while our clients’ motion was granted when the court found that tasks unrelated to student education must be compensated. While an appeal is likely and class certification issues remain, it is an important victory for vocational students across the country.

Supporting Amazon Warehouse Drivers
In recent years, Amazon warehouses have been located in communities across the country. From these locations, drivers are dispatched to deliver packages purchased from the online retailer. Few are aware that Amazon adopts an delivery model modelled on ride-share companies such as Uber and Lyft. The drivers that deliver Amazon packages are often employed by companies that ‘sign up’ to deliver packages from the Amazon warehouse on a contingent model. These companies are often rife with mismanagement. In 2018, we successfully represented the drivers of two different companies, both of whom engaged in egregious wage violations resulting in drivers being paid below the minimum wage and without overtime.

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