

'Paycheck protection' measures have little impact in 4 of 5 states

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It's one thing for a state to pass a law forcing unions to get annual written consent before spending their members' dues money on politics.

But it's another thing entirely to make it work, as four of the five states with "paycheck protection" laws on the books have learned.

With California voters poised to consider an employee consent law for government workers on November's special election ballot, only Utah is seeing its effort to check union political spending change the public policy world.

In Washington, the unions have blunted paycheck protection in the courts and are spending money on politics like never before. In Michigan, union outlays still reach into the millions, while in Wyoming, labor spending only got higher after paycheck protection.

Idaho's voluntary contribution law has since been enjoined in the federal courts.

Robert P. Hunter, a senior fellow at the Mackinac Center for Public Policy in Midland, Mich., a free-market public policy think tank, said paycheck protection has done nothing to curb union spending in the state.

"They are very heavy participants in the political process in Michigan, and I think that pretty much the amount of money spent on non-collective bargaining purposes is pretty much unfettered and there is pretty much a green light for the unions," Hunter said.

While paycheck protection advocates lament the ineffectiveness of the laws, opponents say the measures can still cause significant disruption to labor's political spending.

"It sets up bureaucratic red tape and costs unions money figuring out how to deal with the law and the legal challenges," said Ken Jacobs, deputy chair of the Center for Labor Research and Education at University of California, Berkeley. "At least in the beginning, it does have a chilling effect as people determine how to respond."

Lew Uhler, the anti-tax activist pushing the California measure, said the effect on money is secondary to the primary intent of the law - making sure workers approve of how their money is spent.

"When the unions have to ask permission, and that is really enforced, then the individual member is protected, and that's what we're striving for," Uhler said.

California's initiative would require public employee unions to get each member's annual written consent before they could spend their cash on politics. Right now, workers only have to sign off on the political dues payments when they first start their jobs.

Of the five states with paycheck protection on the books, only the Utah and Idaho laws apply exclusively to public union workers. A California measure that would have applied to all union labor in the state was defeated at the ballot box in 1998.

Besides differences in the type of workers they affect, the laws also vary in the kinds of spending they target and whether they allow government agencies to collect and transfer political cash to the unions even if the workers agree to it.

But according to the Institute on Money in State Politics based in Helena, Mont., which tracks money flowing to state candidates, political party committees and ballot initiatives, one thing is clear about union spending in most paycheck protection states - it remains substantial.

Washington voters approved employee consent in 1992 as part of an overall initiative to reform the state's campaign finance system. Unions spent \$1.6 million that year. According to the Montana institute, the number more than doubled by last year, to \$3.3 million.

Advocates of the law blamed the outcome on a 1998 court settlement in which the state attorney general's office allowed the 78,000-member teachers union to use general dues money for some political purposes. In exchange, the union paid \$100,000 in fines and attorneys' fees.

"The law is a good law - it is a good policy," said Michael Reitz, director of labor policy for the Evergreen Freedom Foundation, the leading employee consent advocacy group in the Pacific Northwest. "But basically, through the attorney general, (the settlement) created a huge loophole that the unions can exploit."

Washington Education Association President Charles Hasse said that since the settlement, his union uses general dues cash on lobbying and initiative measures. The union obtains written consent, however, from about 8 percent of its membership to finance a political action committee that contributes to individual candidates.

"Now we've found a way to deal with it," Hasse said of the state's paycheck protection law.

In Michigan, union political spending hit \$4.4 million in 1998, four years after paycheck protection became law. It hasn't been below \$2.2 million since. (The Montana institute does not have complete figures on political spending in the state prior to 1996.)

Hunter, the researcher for the Mackinac group, said the Michigan law only applied to "hard money" contributions for candidates and political action committees and not to "soft" contributions to the state parties - and that the unions shifted their tactics as a result.

Larry Roehrig, secretary treasurer of the 72,000-member American Federation of State, County and Municipal Employees Council 25, said about a quarter of his membership is signing consent forms these days to keep the candidate coffers full.

"It steeled our resolve," said Larry Roehrig of paycheck protection's impact on union spending.

Wyoming's legislature approved paycheck protection in 1998, a year when union spending totaled \$64,517. The figure zoomed to \$173,428 in 2002 and settled back to \$92,152 last year.

Idaho passed an employee consent measure for government union members in 1997, but the bill did not stop their spending even before the labor groups obtained an injunction in 2003 to hold it up, according to the Montana institute's tabulations. Public sector union contributions increased from \$79,949 in 1996 to \$175,034 in 2002.

Only in Utah has paycheck protection reverberated as intended - with a significant impact on public policy, its advocates say.

Since its legislature sanctioned the "Voluntary Contributions Act" for public employees in 2001, government unions - the only ones targeted by the law - have seen their contributions fall from \$285,761 in 2000 to \$232,211 in 2002. The total jumped back up to \$278,713 in 2004. But Utah's

teachers' union - the state's biggest - says its employee contributions are off this year by more than 70 percent.

With the teachers' union on its heels financially, the Utah legislature passed a bill this year that provides tuition tax credits for "special needs" students, which teachers opposed as a voucher-like move to undercut public education.

Royce Van Tassell, executive director of the pro-voucher group called Education Excellence in Utah, said the bill never would have become law without paycheck protection.

"Not a chance," Van Tassell said. "The union just doesn't carry the stick that it used to."

The Utah Education Association said that since voluntary contributions became law, the percentage of union teachers donating money for politics has dropped from 68 percent to 6.8 percent, with its PAC contributions dropping from \$143,000 a year to \$40,000.

"No doubt the Republican majority is trying to silence opposition to their program," said UEA attorney Michael McCoy. "Not just through winning votes in the House and Senate, but by destroying people and groups who oppose their policies."

Utah's law segregates political contributions from general union dues and bars the state from collecting the political cash and passing it on to the unions. While fighting the state collection provision in court, the Utah teachers union in the meantime has set up an electronic transfer system for employees through their checking or credit card accounts, McCoy said.

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