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**Playing Fair with Public-Employee Unions**

**Asking government workers to contribute more is reasonable. Setting out to punish them isn't.**

BY [CHARLES CHIEPPO](http://www.governing.com/authors/Charles-Chieppo.html) | MARCH 23, 2016

The impact of the legislation that Wisconsin's Republican governor, Scott Walker, pushed through four years ago to limit the power of public-employee unions still resonates around the country. The latest state to address the issue is Missouri, where Democratic Gov. Jay Nixon recently vetoed legislation that would require public employees to reauthorize the process of paying their union dues via paycheck withholding every year.

As the angry mass protests against Walker and subsequent attempt to recall him showed, public-employee union issues can trigger strong emotions. Determining what's appropriate when it comes to unionized employees can be difficult because the settings in which they operate are so radically different. About half the states have so-called "right-to-work" laws that prohibit requiring workers to join unions or pay union dues or other fees. At the other end of the spectrum is Massachusetts, where 18 of the 20 political action committees that gave the most to candidates for state and county offices during the last election cycle were labor organizations.

But there are basic fairness guidelines that can be applied more widely. For example, in an era in which private-sector defined-benefit pensions are becoming rarer than municipal bankruptcies, it makes sense to ask public employees to pay more toward their retirement benefits. And with health care costs consuming a progressively larger slice of state and local government budgets, it also makes sense to ask public employees to share more of that burden.

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A look at the Massachusetts Bay Transportation Authority Retirement Fund (MBTARF) reminds us why removing benefits as a topic for collective bargaining also makes sense. Under Massachusetts law, most state employees pay about 10 percent of their salaries toward pension benefits. But MBTA employee pension contributions are subject to collective bargaining. As of 2012, workers were contributing just 5.5 percent of salary toward their retirement benefits. That's one reason why the retirement fund, which was 81 percent funded in 2008, is now officially just two-thirds funded. And if you believe a study co-authored by Harry Markopolos, the whistleblower in the Bernie Madoff case, the MBTARF could actually be less than half funded.

On the other hand, requiring public employees to go to the trouble of reauthorizing paycheck withholding annually reeks of making life harder for unions for no purpose other than antipathy toward them. The same goes for the Walker provision that limits collectively bargained pay raises to increases in the cost of living. While that may be a sensible guideline, mandating it carries the unpleasant aroma of the same kind of heavy-handed government intervention that Walker and his fellow conservatives so often rail against.

Gov. Nixon's veto of a similar paycheck-withholding bill stood in 2013, but the Republicans who control both houses of the Missouri legislature say they have the votes to override him this time. A better approach to public-employee union issues would be to stick to basic rules of fairness that would provide state and local government workers with reasonable protections without creating a situation in which taxpayers lose because labor negotiations consist of elected officials bargaining with their biggest benefactors.

Charlie\_Chieppo@hks.harvard.edu


#### [Charles Chieppo](http://www.governing.com/authors/Charles-Chieppo.html)

*Charles Chieppo is a research fellow at the Ash Center of the Harvard Kennedy School.*

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