



FACT SHEET

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Forced Union Dues Fuel the Big Government Lobby

Capitol Hill's Top Recipients of Union-Boss Largesse Vote Consistently For Higher Federal Taxes, More Spending

By Stan Greer

This year, according to the Washington, D.C.-based Tax Foundation, Americans will fork over \$3.0 trillion in federal taxes and an additional \$1.5 trillion in state and local taxes. Taxes at all levels are expected to consume 30.2% of total income.ⁱ

Even this vast sum of money won't come close to covering the cost of government expenditures. Consequently, this fiscal year's federal budget deficit is expected to exceed \$500 billion.ⁱⁱ From 2009 to 2012, the federal deficit exceeded \$1 trillion every year.ⁱⁱⁱ

How did American government, which for the better part of our country's history was relatively modest in scope, get so bloated and intrusive?

Public Opinion Has Become Increasingly Skeptical of Expansions of Government Powers

The U.S. electorate certainly doesn't favor the current state of affairs. In recent years, public opinion has become increasingly skeptical of proposals to expand the powers and resources of the federal government, even for seemingly virtuous ends. The most notable example, of course, is the persistent public opposition to the so-called "Affordable Care Act" of 2010.

The ACA, otherwise known as Obamacare, has been aptly described as "the greatest expansion of government in almost 50 years . . ." ^{iv} As of early this summer, the provisions enabling millions of Americans to obtain free or subsidized health insurance had already been implemented, while the most unpopular mandates for individuals and businesses had yet to take effect.

And yet in the NBC/Wall Street *Journal* nationwide survey taken in June "41% of Americans said the performance of the Obama administration had gotten worse over the past 12 months, and only 15% said it had gotten better." And Obamacare was the top reason cited by Americans for why the administration's performance had "gotten worse."^v

A majority of Americans don't support the ACA now, and a majority never wanted it in the first place.^{vi} So how did it become law? On March 22, 2010, an analysis by Michael Beckel of the nonpartisan Center for Responsive Politics (CRP) tersely explained why, the day before, the U.S. House of Representatives had rubber-stamped both H.R.3590, the Senate-approved version of the ACA, and H.R.4872, a "fixer" bill amending the Senate measure:

Supporters of both measures received out-sized support from labor unions. . . . Members who voted for both bills received an average of about \$917,500 since 1989 [in reported contributions alone from labor union bosses].

[Furthermore,] in the final push for a vote, [many union officials and union operatives] also displayed their clout through threats to withhold endorsements from lawmakers who failed to back the bill. They also vowed to support primary challenges or third-party bids against incumbents who opposed the bill.^{vii}

Union Bosses See Their Future in the Expansion of Public-Sector Forced Unionism

While Big Labor has consistently lobbied for bigger government since the middle of the last century, today union officials' opposition to tax relief is far more fierce than it was when, for example, GOP President Ronald Reagan successfully pushed for tax cuts during the 1980's.

In 1981, the year the Economic Recovery Tax Act was adopted, 27.1%, or just over a quarter, of union officials' mostly coerced "members" nationwide were government employees, and this percentage had been roughly stable over the previous four years. But in 2013 public employees constituted 49.6% of union officials' conscripted membership ranks.^{viii}

The Great Recession of 2008-2009, the adoption since 2011 of Wisconsin's Act 10 and other, less well-publicized analogous measures in a handful of other states rolling back government union bosses' monopoly-bargaining privileges, and the rapid decline in the share of America's K-12 school-aged children residing in forced-unionism states have all contributed to a recent small reduction in government union rolls nationwide.

However, the 7.89 million public-sector employees subject to union monopoly bargaining in 2013 represented just a 9.0% falloff from the all-time peak four years earlier. In contrast, the 8.11 million private-sector workers under union monopoly control last year was less than half of the 1979 peak of 16.53 million.^{ix}

Top union officials like AFL-CIO President Richard Trumka and "Change to Win" Federation Chairman Joe Hansen plainly see that compulsory union dues and fees exacted from government employees will be their main source of potential revenue growth in the future.

More and more, the national Democratic Party, which once relied primarily on private-sector unions to run forced dues-funded voter identification drives and phone banks, make door-to-door visits, and conduct get-out-the-vote efforts for its candidates, will depend on government unions first and foremost.

As a consequence, both union political operatives and the congressional Democrats who have been the beneficiaries of more than 90% of Big Labor's federal legislative branch electioneering activities in recent cycles^x have grown more and more zealous in their advocacy of higher taxes and more government spending.

Federal Labor Law Is Key Source of Union Hierarchy's Disproportionate Influence

Why does Congress heel to Big Labor's demands for Big Government? Pro-forced unionism federal labor laws and state labor laws patterned after them have turned a relative handful of union officials into the most powerful political juggernaut in America.

Under five provisions in the 1935 National Labor Relations Act and under the 1951 Railway Labor Act Amendment, private-sector employees can be fired for refusal to pay dues or fees to their government-certified "exclusive" union bargaining agent. Currently, some 6.6 million employees are forced to pay dues because of these two laws.^{xi}

Congress made Organized Labor into a political juggernaut by giving it the power to force workers to pay dues, or be fired. That allows union officials to collect billions of dollars every year, a substantial portion of which they use to bend the political system to their will.

And elected officials in more than 20 states have compounded the problem by extending union officials' forced-dues privileges to state and local public employment, including K-12 school systems.

It is an undeniable fact that union bosses' "in-kind," forced dues-funded campaign contributions, which overwhelmingly do not have to be and are not reported to the Federal Election Commission (FEC), are far more significant than reported union political contributions.^{xii} In the 2011-2012 election cycle alone, the Institute has estimated, drawing on information found in LM-2 forms that private-sector and some government-sector unions with annual revenues exceeding \$250,000 are required to file with the U.S. Labor Department, along with other publicly available resources, Big Labor spent \$1.7 billion on politics and lobbying.^{xiii}

That dwarfs Big Labor's reported PAC and "Section 527 group" political expenditures, which together added up to \$106 million in 2011-2012.^{xiv}

Forced-Dues Money Responsible For Maintaining 'Tax & Spend' Coalition's Effective Control Over Congress

In 2011-2012, as in every election cycle, thousands of salaried union staff members were assigned to supervise campaign activities full time for week after week or month after month, while they continued to draw union paychecks funded almost entirely by compulsory union dues.

Strategically deployed Big Labor forced-dues money is now maintaining Tax & Spend politicians' effective control over Congress, despite the well-known electoral setbacks Big Labor suffered in 2010, and largely failed to reverse in 2012.

The connection between forced-dues laws and higher taxes is largely hidden because the vast majority of forced dues-funded electioneering and lobbying activities on behalf of union officials' favored candidates and causes are not defined as "political" under federal campaign-finance laws and regulations and consequently do not have to be reported to the FEC.

Nevertheless, the connection can be documented, because such "in-kind" forced-dues contributions generally track closely with the far smaller, but still substantial reported union PAC contributions to federal candidates.

The great 20th Century labor journalist Victor Riesel, who was known both as a crusader against union corruption and as a true friend of responsible unionism, concluded after extensive research that unreported union campaign expenditures on behalf of a candidate are worth up to 10 times as much as reported contributions.^{xv} Today, as we can ascertain from the 2011-2012 data cited above, the ratio of unreported to reported Big Labor campaign donations is evidently even higher than in Riesel's time.

And the Senate and House members who receive the most in reported union PAC contributions typically share two characteristics: 1) They favor Big Government, Tax & Spend policies. 2) They face at least potentially close races.

Senators Who Got the Most Union-Boss PAC Cash Voted With Taxpayer 11% of the Time

The analysis below draws on FEC reports compiled by the Center for Responsive Politics, and also on a nonpartisan assessment of U.S. senators' and representatives' voting records made by the National Taxpayers Union (NTU).

The 20 current senators raking in the most cash from union-boss PACs from 2007 to 2012 (i.e., at least \$320,000 and up to \$827,750 apiece) received an average NTU rating of just 11 out of 100, indicating that they almost always voted against taxpayers' interests.

The top recipients of Big Labor largesse over this period, starting with the senator raking in the most union PAC cash of all, are: Kirsten Gillibrand (D-N.Y.), Patty Murray (D-Wash.), Harry Reid (D-Nev.), Sherrod Brown (D-Ohio), Joe Manchin (D-W.Va.), Mark Udall (D-Colo.), Claire McCaskill (D-Mo.), Barbara Boxer (D-Calif.), Jeff Merkley (D-Ore.), Al Franken (D-Minn.), Jon Tester (D-Mont.), Jeanne Shaheen (D-N.H.), Robert Casey (D-Pa.), Bill Nelson (D-Fla.), Tim Johnson (D-S.D.), John "Jay" Rockefeller (D-W.Va.), Charles Schumer (D-N.Y.), Mary Landrieu (D-La.), Debbie Stabenow (D-Mich.), and Amy Klobuchar (D-Minn.).

Not one of these union-label senators voted with taxpayers more than 23% of the time in 2012. And five of them (Gillibrand, Boxer, Franken, Rockefeller, and Schumer) voted with taxpayers just 7% of the time.^{xvi}

Even in the spendthrift Senate of 2012, whose average NTU rating of 40 was 17 points lower than its 1995 peak of 57,^{xvii} members receiving the most financial support from Big Labor were roughly a quarter as likely to side with taxpayers as the average member.

And the 10 senators who got the most lavish union PAC contributions won their most recent general-election campaigns with an average vote share of 54%, compared to the Senate average of 60%.^{xviii}

Vulnerable ‘Tax & Spenders’ Propped up by the Union Brass

It’s largely the same story in the U.S. House of Representatives.

Among today’s House incumbents who have 2012 voting records, the 40 who received the most Big Labor PAC cash (at least \$205,000 and up to \$418,499) in the 2011-2012 campaign cycle, are, starting from the top: Janice Hahn (D-Calif.), Tim Bishop (D-N.Y.), Steny Hoyer (D-Md.), Nick Rahall (D-W.Va.), Louise Slaughter (D-N.Y.), John Tierney (D-Mass.), George Miller (D-Calif.), John Garamendi (D-Calif.), Nancy Pelosi (D-Calif.), Marcy Kaptur (D-Ohio), Stephen Lynch (D-Mass.), Jerry McNerney (D-Calif.), Michael Michaud (D-Maine), James Clyburn (D-S.C.), Gerald Connolly (D-Va.), Suzanne Bonamici (D-Ore.), Steve Israel (D-N.Y.), Bruce Braley (D-Iowa), Lois Capps (D-Calif.), David Loebsack (D-Iowa), Bill Owens (D-N.Y.), Rosa DeLauro (D-Conn.), Linda Sanchez (D-Calif.), Michael Grimm (R-N.Y.), Bill Pascrell (D-N.J.), Sander Levin (D-Mich.), Frank LoBiondo (R-N.J.), John Yarmuth (D-Ky.), Donna Edwards (D-Md.), Elijah Cummings (D-Md.), John Larson (D-Conn.), Bennie Thompson (D-Miss.), William Keating (D-Mass.), Debbie Wasserman-Schultz (D-Fla.), Peter DeFazio (D-Ore.), Paul Tonko (D-N.Y.), Loretta Sanchez (D-Calif.), Emanuel Cleaver (D-Mo.), Brian Higgins (D-N.Y.), and Rick Larsen (D-Wash.).

These 40 union-label House members averaged a measly NTU rating of 19 in 2012, when the House average was 50.

And seven of the top 20 House recipients of Big Labor largesse won a fall 2012 vote share of 55% or less, compared to the House average of 65% for incumbents seeking reelection in contested races.^{xix}

Politicians Who Get the Least Big Labor Support Are Less Free-Spending

The anti-taxpayer impact of government labor policies that authorize and promote forced unionism is really driven home when one focuses on the records of elected officials who accept little or no money from union bosses.

The 20 current elected senators who got the least PAC support from Big Labor from 2007-2012 received an average of just \$8713 apiece. And their mean NTU rating in 2012 was 80, or double the average for the chamber.^{xx}

In the House, 42 current elected members received no union PAC contributions at all in 2011-2012. Their mean NTU rating in 2012 was 79; that's 29 points higher than the House average of 50.^{xxi}

The stark contrast in NTU scores for federal politicians receiving the most and the least reported financial support from Big Labor is especially compelling because these ratings are the fairest and best numerical assessment of an elected official's record on fiscal issues.

As the NTU has explained, its ratings for the second session of the 112th Congress, cited above, took into account "all votes that could significantly affect the amounts of federal taxes, spending, debt, or regulatory impact." A total of "274 House and 127 Senate votes" on "appropriations bills, authorization bills, budget target resolutions, tax bills, amendments, and certain procedural votes that could affect the burden on taxpayers" were selected.^{xxii}

Both because the share of public-sector employees who are under union monopoly bargaining is five times great than the share of private-sector workers who are unionized, and for ideological reasons, union bosses favor bigger government. And, over the long haul, bigger government is what America is getting.

The fact is, the problem of excessive taxation and public spending cannot be resolved without first eliminating the coercive federal labor-law provisions that fuel the Big Government lobby.

Legislation now before Congress, known as the National Right to Work Act, or S.204/H.R.946, would repeal all the provisions in federal labor law that authorize the firing of employees for refusal to pay dues to an unwanted union.

This reform would empower workers to refuse to bankroll the campaigns of Tax & Spend politicians simply by resigning from their union and withholding their dues.

Roughly Four Out of 10 Union Household Members Typically Vote Against Big Labor-Backed Candidates

Exit poll data show that roughly four out of 10 union household members (including union members themselves, their spouses, and other adult family members residing with them) regularly vote against big-spending politicians whom Big Labor bosses support.^{xxiii}

Therefore, if enacted, S.204/H.R.946 would force union kingpins to curtail drastically their political activism, or face massive potential defections of union members.

To rein in Big Government, it is necessary first to dry up the \$1.7 billion forced-dues slush fund that is its breeding ground. That's one reason why more and more proponents of lower taxes

and spending restraint are enlisting in the fight to revoke union officials' compulsory-dues privileges at the federal level and pass more state Right to Work laws.

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ⁱ Kyle Pomerleau and Lyman Stone, "Tax Freedom Day 2014 Is April 21, Three Days Later Than Last Year," April 7, 2014 Tax Foundation news release (<http://taxfoundation.org/article/tax-freedom-day-2014-april-21-three-days-later-last-year>).

ⁱⁱ Lori Montgomery, "CBO: Deficit Falls to \$506 Billion in 2014, But Debt Continues to Rise," *Washington Post* Wonkblog, August 27, 2014 (<http://www.washingtonpost.com/blogs/wonkblog/wp/2014/08/27/cbo-deficit-falls-to-506-billion-in-2014-but-debt-continues-to-rise/>).

ⁱⁱⁱ See Footnote 1.

^{iv} Rituparna Basu, "Obamacare Is Suffocating an Already Sick Health Insurance Patient," *Forbes* Opinion guest commentary, January 22, 2014 (<http://www.forbes.com/sites/realspin/2014/01/22/obamacare-is-suffocating-an-already-sick-health-insurance-patient/>).

^v Micah Roberts, "America to Obamacare: We Got It and We Still Don't Like It," Public Opinion Strategies analysis, July 7, 2014 (<http://pos.org/2014/07/america-to-obamacare-we-got-it-and-we-still-dont-like-it/>).

^{vi} See, e.g., Jeffrey M. Jones, "In U.S., 45% Favor, 48% Oppose Obama Healthcare Plan," Gallup poll analysis, March 9, 2010 (<http://www.gallup.com/poll/126521/favor-oppose-obama-healthcare-plan.aspx>).

^{vii} "Big Labor Gave Big Support to Health Reform Supporters, Health Interests Lent More Support to Opponents," a blog post for the [opensecrets.org](http://www.opensecrets.org) web site (<https://www.opensecrets.org/news/2010/03/big-labor-gave-big-support-to-health/>).

^{viii} See the *Union Membership and Coverage Database From the CPS*, maintained by Drs. Barry Hirsch and David Macpherson (<http://unionstats.com/>).

^{ix} *Ibid.*

^x See the "Labor" page on the [opensecrets.org](http://www.opensecrets.org) web site (<http://www.opensecrets.org/industries/indus.php?ind=P>).

^{xi} National Institute for Labor Relations Research estimate, based on the 8.1 million private-sector unionized workers in 2013 as reported on the unionstats.com web site (see Footnote 8 above). On page 97 of the 14th and latest edition of *Basic Patterns in Union Contracts*, Bureau of National Affairs, Washington, D.C., 1995, it is stated that 82% of private-sector union contracts authorize some form of compulsory unionism. Consequently, the Institute surmises that slightly more than 6.6 million private-sector employees today are subject to such coercion.

^{xii} See, e.g., "Political Spending by Unions Far Exceeds Direct Donations," a July 10, 2012 *Wall Street Journal* cover story by reporters Tom McGinty and Brody Mullins (<http://online.wsj.com/news/articles/SB10001424052702304782404577488584031850026>).

^{xiii} "Big Labor Spent \$1.7 Billion on Electioneering and Lobbying in 2011-2012," August 29, 2012 Institute fact sheet (<http://www.nilrr.org/2013/08/29/big-labor-spent-1-7-billion-on-electioneering-lobbying-in-2011-2012/>).

^{xiv} See Footnote 10, and also see the "Federally Focused 527s by Sector" page on the [opensecrets.org](http://www.opensecrets.org) web site (<http://www.opensecrets.org/527s/527cmtes.php?level=S&cycle=2012>).

^{xv} See, e.g., "Unions Collect Huge Bankroll For Campaign," a news analysis by Riesel published on September 5, 1976 in *The Commercial Appeal* (Memphis, Tenn.). A copy may be obtained from the author of this fact sheet upon request.

^{xvi} "NTU Rates Congress, 112th Congress, Second Session (<http://www.ntu.org/library/doclib/nturatescongress2013-3-1.pdf>).

^{xvii} Pete Sepp and Douglas Kellogg, “Senate Slides, House Hovers at Halfway Mark, on National Taxpayers Union’s Annual Congressional Score Card,” September 20, 2013 NTU news release (<http://www.ntu.org/governmentbytes/detail/senate-slides-house-hovers-at-halfway-mark-on-national-taxpayers-unions-annual-congressional-scorecard>).

^{xviii} See the Wikipedia entries “United States Senate Elections, 2008,” “United State Senate Elections, 2010,” and “United States Senate Elections, 2012.”

^{xix} See the Wikipedia entry, “United States House of Representatives Elections, 2012.”

^{xx} See Footnote 16.

^{xxi} *Ibid.*

^{xxii} See Footnote 16.

^{xxiii} For example, the November 2012 national exit poll cited by CNN and other major media outlets (<http://www.cnn.com/election/2012/results/race/president>) shows that 40% of union household members casting presidential ballots voted to deny Barack Obama a second term in the White House, even as the union political machine poured vast sums of forced-dues money into efforts to get the Obama-Biden ticket reelected.