# FACT SHEET



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# How Can Union-Boss Pillaging of Taxpayers Finally Be Stopped?

### Time and Again, Gross Big Labor Abuses Are Publicly Exposed and Denounced, Without Being Remedied

### by Stan Greer

In the wake of this January's catastrophic Palisades Fire, reported to be the third-worst wildfire in California history and the worst-ever in Los Angeles history, many questions have been raised about the effectiveness of the responses of the Los Angeles Fire Department (LAFD), L.A. Mayor Karen Bass, and other Golden State elected officials.

This February, Bass dismissed Fire Chief Kristin Crowley, citing the latter's alleged mishandling of the Palisades Fire. (Another highly destructive wildfire started the same day, on January 7, in nearby Eaton, but it was located outside the LAFD's jurisdiction.)

More recently public scrutiny has begun to fall on top officials of the United Firefighters Los Angeles City (UFLAC/IAFF/AFL-CIO), who under state law have for roughly half a century wielded monopoly-bargaining power to codetermine with the fire chief how firefighters and other front-line employees are compensated and managed.

The fire chief is appointed by -- and serves at the pleasure of -- the mayor. For example, prior to being terminated by Bass, Crowley was appointed in 2022 to head the LAFD by then-Mayor Eric Garcetti.

But the UFLAC president and other UFLAC officials are not appointed or removable by any elected official. Nor are they themselves elected by the public. Nevertheless, labor laws now on the books in California and well over 30 other states require "public officials and policy-makers" to "respect" union officials (but no other private citizens) "as equals and deal with [them]," as government union kingpin Jerry Wurf gleefully observed in a 1973 address.<sup>2</sup>

If it is correct, as former UFLAC President Freddy Escobar and others have asserted,<sup>3</sup> that the roughly \$900 million<sup>4</sup> in the LAFD's final FY 2024-25 budget was not sufficient to keep enough mechanics on the payroll to repair broken engines, then the actions of Escobar and other UFLAC bosses past and present are a key reason why that is so.

Union work rules that invariably result in out-of-control overtime costs for the LAFD are a principal case in point. With little if any resistance from fire chiefs or elected officials in Los Angeles, the UFLAC hierarchy has successfully pressed for decades to get such costly work rules in their union contract, and keep them there, no matter how much taxpayers and L.A. residents who depend on the LAFD's

services suffer as a consequence.

A 2024 analysis<sup>5</sup> of U.S. Labor Department data found that, among the 97.7 million private- and government-sector employees across the country who were potentially eligible under the Fair Labor Standards Act (FLSA) to earn 1.5 times their normal pay rate by working overtime in 2023, fewer than 8% were eligible to collect overtime pay on a regular basis. Nearly 90% were not eligible to collect overtime at all.

# Fire Department Admittedly in the Dark About How Many Hours Union Bosses Are Working

That's to be expected. The FLSA was designed largely to deter employers from pressuring and/or cajoling their employees to work excessively long hours, and the major extra hourly cost imposed on employers when employees work more than 40 hours a week deters the vast majority of private businesses and union-free government agencies from authorizing overtime unless they really need to.

But the normal incentives that keep overtime from running wild do not apply at all to Big Labor-dominated government agencies like the LAFD. And top bosses of UFLAC rake in far, far more taxpayer-funded overtime money from the LAFD than does the average rank-and-file L.A. firefighter.

According to an early 2025 L.A. *Times* investigative report<sup>6</sup> drawing on public payroll records, in FY 2022, "the most recent year for which records of both his city and union earnings are available," Escobar collected just over \$184,000 in base salary alone from the LAFD in exchange for doing absolutely nothing for the taxpayers who footed the bill. Escobar "earned" this generous taxpayer-funded salary, along with a "stipend" amounting to nearly \$116,000 financed by union dues payers, "working 48 hours a week on union and related duties."

(Government union officials' preferred name for the taxpayer-funded pay they receive for doing union business, rather than the public's business, is "release time," or "official time," but it is more accurately labeled as "union time.")

On top of his base salary and stipend, Escobar raked in more

than \$240,000 from the city in "overtime" cash payments for putatitively working an additional 30 hours a week, more or less and on average, for the city on top of the 48 hours a week he reported putting in for the union.

If Escobar really did consistently work nearly 80 hours a week, for months or years at a time, that raises serious concerns about the safety of EMT patients, fire victims, and other Angelenos in distress. Their fate was being entrusted by the LAFD to a man who, unless he is superhuman, could not possibly have been operating at full capacity all the time he was on the job.

But the reality is there are no reliable records being kept by LAFD that show how many hours union bosses actually work, either to advance the interests of UFLAC or to serve the people of Los Angeles. In the middle of their investigative report, *Times* journalists Alene Tchekmedyian and Paul Pringle dryly noted that, after receiving "inquiries" from their publication, the LAFD suddenly announced it had launched a "comprehensive review and overhaul' of its procedures for tracking the hours and reimbursement of those on leave for the union."

The LAFD added: "The Department has recognized the need for significant improvements to its accounting and timekeeping processes related to union release time."

## Overtime Consumed Nearly 30% of LAFD's Entire Budget in FY 2022

While Boss Escobar was the LAFD's overtime king in FY 2022, his take represented only a small fraction of the overtime payments forked over by the department. Altogether, "firefighters, support staff and other [LAFD] personnel" collected \$225 million in overtime.\(^7\) That amounts to nearly 30% of the entire LAFD budget\(^8\) for that year. By FY 2024, the LAFD's aggregate overtime costs had risen to \$262 million.\(^9\)

Only an extensive, meticulous audit could determine exactly how high a share of the vast sums of money Big Labor-controlled bureaucracies like the LAFD extract from taxpayers for overtime costs are completely unnecessary for the proper provision of public services, but there is no doubt that a large share are just that.

For starters, the LAFD union contract explicitly authorizes members of the UFLAC board to "pick up extra shifts on nights, weekends or holidays outside the 40 hour workweek, being paid overtime at 1.5 times their hourly rate." In practice, the LAFD plainly does not deny exorbitantly expensive overtime hours to union bosses simply because there is no public-safety need to have extra firefighters on the clock at the times they want to pick up shifts, or because a lower seniority firefighter earning lower base pay is willing and able to put in the overtime instead!

At the same time, the UFLAC contract<sup>11</sup> effectively forces the LAFD to pay overtime hours routinely to get employees to fill in for colleagues who are on sick leave. For every year they work, employees accrue 12 workdays of 100%-paid sick leave, plus five days of 75%-paid sick leave and five more of 50%-paid sick leave. Over the years, they may accumulate 136 work days of 100% paid sick leave, after which they may continue on sick leave at partial pay. Employees do not necessarily have to be sick or injured to take sick days. The contract stipulates sick days may be used for "preventive care."

If Escobar and his cohorts had truly been concerned about the LAFD underinvesting in mechanics and equipment, they could easily have proposed changes in the most recent union contract, which was finalized just a couple of months before the Palisades Fire, that would have slashed the department's overtime budget by tens of millions of dollars.

This could have been accomplished without any reduction at all in the attractive base salaries for firefighters and fire captains in LA., which average just over \$140,000 a year.<sup>12</sup> And the money could have been used to increase substantially the number of mechanics on the LAFD payroll and for other worthy purposes.

But the reality is that the UFLAC hierarchy has never been interested in fostering a cooperative and mutually beneficial relationship between the public servants who are under its monopoly control and the citizens who rely on public services and pay for them with their tax dollars.

### 'Many People Are Getting Paid For Hours They Could Not Possibly Be Working'

In late May of 1996 -- that is, nearly three decades ago -- the L.A. *Times* published an exposé<sup>13</sup> of UFLAC boss-promoted overtime abuses in the LAFD that was in key regards quite similar to the one that was published this April 30.

The story cited the case of Alan Naeole, a city firefighter-paramedic who in 1995 earned "\$58,000 in base salary -- and pocketed \$102,945 in overtime." Over the course of that year, continued writer/editor Jeff Brazil, "overtime costs for the county and city fire departments soared to a record of nearly \$128 million," even though "there were no cataclysmic disasters" and Los Angeles County was in miserable financial shape.

Brazil emphasized that most of that hefty chunk of money was "not being used for fires" or other emergencies:

"[M]ost of it goes for replacing those who are out because of vacations, holidays, injuries, training, illnesses or personal leaves. Millions more go to firefighters on special assignments, such as in-house training and evaluation programs."

Dennis Kemper, the chief management analyst for the LAFD at the time, admitted to being "taken aback" by the "heft" of the department's \$58.6 million bill for overtime alone in 1995: "I look at that figure at budget time and think, 'Wow, that's a lot of money." Even as he defended the waste to which the LAFD had acquiesced, he suggested that the out-of-control overtime couldn't continue much longer. "Ulitmately, we'll have to cut down," he told Brazil.

Unfortunately, 29 years later, Kemper's prediction still shows no sign of coming true.

In an October 2020 commentary<sup>14</sup> for the *Times*, columnist Steve Lopez showed how UFLAC union bosses were exploiting the COVID-19 pandemic to "reap a bonanza in overtime pay" at a time when vast numbers of the city's residents were financially struggling.

An LAFD whistleblower had directed Lopez's attention to city records showing how many LAFD employees had "repeatedly been credited with 10, 16 and even 24 hours a day of overtime" since they had started pulling "COVID"

duty" shifts, even though the COVID testing sites in L.A. were normally only open just six hours a day.

As Lopez went on to point out, uniformed LAFD staff generally did not administer COVID tests themselves. Instead, their primary jobs related to the testing facilities were to open them, close them, "deliver results to a lab, replenish supplies and keep tabs on the equipment." It was not at all clear to Lopez why these relatively simple tasks had to be performed by "some of the city's highest paid and specially trained employees," often "at time-and-a-half pay," when thousands of other city employees were being furloughed.

In a letter to Lopez that the columnist eventually showed, with the writer's permission, to City Controller Ron Galperin, the whistleblower wrote, in part: "Many people are getting paid for hours they could not possibly be working because I see them leave for the day but the overtime is still entered into the computer as hours worked." The whistleblower continued: "The hours are not documented anywhere, it's the total honor system, but without any honor or integrity at all." (Emphasis added.)

Galperin admitted to Lopez that he wasn't surprised by the whistleblower's account, even though he was troubled by it.

### Without a Fundamental Change in State Labor Policy, Expect Outrageous Abuses to Continue

Galperin went on to criticize openly his fellow city officials for not acting on overtime reform recommendations he had made in November 2019, largely in reaction to an audit revealing that the the LAFD had made \$192 million in overtime payments in the fiscal year ending in June 2019.

An outside observer unschooled in the way Big Labor politicians operate might have expected then-Mayor Garcetti and other L.A. elected officials to respond to Lopez's revelations and Galperin's calling them on the carpet to at least make an appearance of trying to rein in overtime abuses at the LAFD. Instead, they went on with business as usual, continuing to pretend, despite ample evidence to the contrary, that the LAFD had no choice but to continue forking over hundreds of millions of dollars a year in overtime hours to union bosses and their followers, the vast majority of them clocked in when there was no emergency to warrant them. Soon the ongoing theft drifted away, once again, from public attention.

The ultimate insult to L.A.'s taxpayers came this January 7 when, on the morning the Palisades wildfire began, then-Fire Chief Crowley sent home roughly 1,000 firefighters, 15 rather than order them to remain on the job to try to contain the fire in its early stages. Just five of the 40 operational engines that were available to be deployed against the wildfire were actually put into use. 16

In brief, at a time when the total annual overtime bill for the LAFD is rapidly approaching \$300 million, and at the one moment over the past several decades when LAFD overtime hours were most obviously called for, Crowley decided they weren't needed! And Escobar flatly refused to criticize her for this decision.<sup>17</sup>

Angelenos have very little reason to hope that either recent<sup>18</sup> media<sup>19</sup> reports<sup>20</sup> of systematic abuse of overtime by the UFLAC brass, with LAFD officials' acquiescence, or

the even more recent suspension<sup>21</sup> of Escobar from his union office for alleged misappropriation of hundreds of thousands of dollars in union funds, will lead to lasting, meaningful changes.

In fact, the very union boss who made the call to dismiss Escobar, IAFF General President Ed Kelly, is himself currently being sued in federal court for firing his former director of investment and finance, allegedly because the latter refused to support a kickback deal<sup>22</sup> between the union hierarchy and a financial company!

In all likelihood, the local, state and federal taxpayers who bankroll the LAFD will never have even a fighting chance to benefit from a department that spends their money honestly and efficiently to protect the safety of L.A. residents, and not to line the pockets of union special interests, until California's 1977 Dills Act is repealed.

The Dills Act authorizes and promotes union monopoly-bargaining control over vast numbers of civils servants in California, including state and local firefighters. As policy analyst and writer Steven Malanga of the nonpartisan Manhattan Institute has observed, "Public-sector unions ... have become the nation's most aggressive advocates for higher taxes and spending."<sup>23</sup>

While government union chiefs push hard for higher taxes and more public spending in all 50 states, they naturally do so with greater success in states that actively encourage union monopoly bargaining over public workers' terms and conditions of employment.

## Higher Government-Sector Unionization Closely Correlated With Heavier Tax Burdens

One rough, but useful gauge of how much coercive power union kingpins wield in any state is the share of public servants who are subject to union monopoly bargaining. These data are reported in the Union Membership and Coverage Database, 24 currently maintained by economists Barry Hirsch, David Macpherson, and William Even.

By simultaneously reviewing government-union-density data for 2021 and data on estimated 2022 state-and-local tax collections as reported by the Washington, D.C.-based Tax Foundation, one may get a grasp of just how valuable monopoly-bargaining privileges are for tax-hungry union bosses. (2022 tax data are used here because this is the most recent year for which the Tax Foundation has published data assessing total combined state-local tax burdens as a share of personal income in all 50 states.)

Among the 17 states with the highest share of public employees under union monopoly control, state and local taxes combined consumed an estimated 12.6% of all personal income in 2022. That represents an aggregate state-and-local tax burden 29% heavier than the average burden for the 16 states ranking in the middle for monopoly-bargaining density, and 33% heavier than the average burden for the 17 states where government union bosses wield the least coercive power.

Six of the seven states with the heaviest aggregate stateand-local tax burdens are high government-union-density states. And just one of the 15 states with the lowest statelocal tax burdens is a high government-union-density state. Repeal of the Dills Act and the other California laws that corral public servants into unions would finally give the Golden State's taxpayers at least a fighting chance to end the panoply of Big Labor abuses of public funds<sup>26</sup> of which the decades-long LAFD overtime scandal is emblematic.

In the current California political climate, abolition of these radically anti-taxpayer laws may seem impossible. But the alternative is ever-deteriorating public services consuming an ever-rising share of taxpayers' incomes. And that's not a viable future.

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#### **Endnotes**

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