

IOWA TRANSPARENCY NEWSLETTER



Iowans Should Demand Transparency Concerning the Union Negotiations

by Jennifer L. Crull

Although union groups and their political allies have opposed collective bargaining transparency as ‘union busting,’ it is difficult to see how shining a light on the bargaining table will ‘bust’ unions unless they have something to hide.¹

Airing Out the Smoke-filled Rooms: Bringing Transparency to Public Union Collective Bargaining, by Nick Dranias, Byron Schlomach, and Stephen Slivinski, takes a hard look at how state laws need to change to improve the transparency of union negotiations. In 2010, shortly after Governor Culver had lost his bid for reelection and before the newly elected Governor Branstad took office, Culver accepted the union’s first offer concerning the two-year contract that would go into effect on July 1, 2011. These “negotiations” led to an increase of \$100 million to

each year’s budget. Over the last couple of years, we’ve seen that government workers had to be furloughed and employees that took retirement were not replaced to handle the cost of the contract.

This is why we need to bring more transparency to the union negotiations concerning the contracts that take place between all levels of government and the unions. “According to the most recent report of the Bureau of Labor Statistics, state and local government employees make nearly 43 percent more per hour on average in total compensation than private-sector workers.”² That is the average for all fifty states, and Iowa is even worse. Public Interest Institute’s BRIEF, *Iowa’s Privileged Class: State Government Employees*, points out the pay gap in 2010 in Iowa was 50.1 percent.³ This BRIEF shows that for every \$1.00 an average private-sector worker earns in Iowa, an average

state-government employee earns \$1.50.⁴

Luckily over the last year as Governor Branstad was negotiating with American Federation of State, County and Municipal Employees (AFSCME), he didn’t accept their first offer and in fact the contract negotiation went to binding arbitration. Unfortunately Governor Branstad didn’t win on the issue of state employees paying part

Thank you for your continued support of Public Interest Institute.

Your support helps us provide public policy research on the issues facing both Iowa and the nation as well as the importance of free-market and constitutional ideas.

**IOWA TRANSPARENCY
NEWSLETTER**

May 2013
Volume 6, Number 5
Public Interest Institute
Dr. Don Racheter,
President

IOWA TRANSPARENCY NEWSLETTER is a monthly newsletter reporting on government transparency in our state.

IOWA TRANSPARENCY NEWSLETTER is published by Public Interest Institute at Iowa Wesleyan College, a nonpartisan, nonprofit, research and educational institute whose activities are supported by contributions from private individuals, corporations, companies, and foundations. The Institute does **not** accept government grants.

Contributions are tax-deductible under sections 501(c)(3) and 170 of the Internal Revenue Code.

Permission to reprint or copy in whole or part is granted, provided a version of this credit line is used: "Reprinted by permission from IOWA TRANSPARENCY NEWSLETTER, a monthly newsletter of Public Interest Institute."

The views expressed in this publication are those of the authors and not necessarily those of Public Interest Institute.

If you have an article you believe is worth sharing, please send it to us. All or a portion of your article may be used. The articles in this publication are brought to you in the interest of a better-informed citizenry, because IDEAS DO MATTER.

We invite you to:
CALL us at 319-385-3462
FAX to 319-385-3799
E-MAIL to Public.Interest.Institute@LimitedGovernment.org
VISIT our Website at www.IowaTransparency.org
WRITE us at our address on page 4

Copyright 2013

of their health insurance, which means that Iowa will continue to be one of six states where the state employees don't pay anything towards their health insurance. Yet, he did win on the issue of "no across-the-board pay increases for the duration of the contract."⁵ This will result in saving the taxpayers of Iowa \$94 million over the previous contract. Luckily we have a Governor that is determined to bring transparency to all levels of government. That is why we have been much more aware of the demands of AFSCME during this contract negotiation than we were when Governor Culver just agreed to the first offer.

"Secret government union collective bargaining is the law in 11 states, specifically: Alaska, Connecticut, Illinois, Iowa, Kentucky, Maine, Nevada, New Hampshire, New Jersey, New Mexico, and Wisconsin."⁶ This opening line from a recently released article from the Goldwater Institute makes you stop and take pause. As we all know in Iowa, usually anytime there is a dispute between AFSCME and the state government, the power of the union usually comes out on top, especially with wage negotiations.

So what needs to change? Chart One shows the breakdown of the fifty states and collective bargaining by state concerning transparency. The chart has a scale of zero to four, where zero is secret collective bargaining

and four is strong transparency for all government unions. Only two states, Florida and Tennessee, received a four.⁷ States need to tailor their laws to be more like Florida and stop the secret negotiations from taking place.

- A "0" applies to states that affirmatively maintain the statewide confidentiality of government and union collective bargaining by law.
- A "1" refers to states that either have no explicit or minimal statewide transparency requirements, such as Arizona's current statewide transparency regime, which does not clearly preempt local collective bargaining secrecy laws or cover negotiations between non-elected executive agents, such as city managers and union officials, and which is subject to uncertain public records requirements and broad executive session exceptions.
- A "2" refers to states that have open meetings or standalone transparency laws that apply to collective bargaining by *any* government employer representative and *only certain specified* government unions, but which provide for confidentiality that can be invoked and applied broadly to all such bargaining through executive session or otherwise.
- A "3" refers to states that

Chart One: Collective Bargaining Transparency by State

State	Score
Alabama	1
Alaska	0
Arizona	1
Arkansas	1
California	1
Colorado	1
Connecticut	0
Delaware	1
Florida	4
Georgia	1
Hawaii	1
Idaho	1
Illinois	0
Indiana	1
Iowa	0
Kansas	1
Kentucky	0
Louisiana	1
Maine	0
Maryland	2
Massachusetts	1
Michigan	1
Minnesota	1
Mississippi	1
Missouri	1
Montana	1
Nebraska	1
Nevada	0
New Hampshire	0
New Jersey	0
New Mexico	0
New York	1
North Carolina	1
North Dakota	3
Ohio	2
Oklahoma	1
Oregon	2
Pennsylvania	1
Rhode Island	1
South Carolina	1
South Dakota	1
Tennessee	4
Texas	3
Utah	1
Vermont	1
Virginia	*
Washington	1
West Virginia	1
Wisconsin	0
Wyoming	1

Source: *Airing Out the Smoke-filled Rooms: Bringing Transparency to Public Union Collective Bargaining*, Goldwater Institute, No. 255, January 17, 2013.

* Virginia has banned collective bargaining in the government sector.

have open meetings or standalone transparency laws that apply to collective bargaining by any government employer representative and *only certain specified* government unions, but provide for confidential employer-side discussions of negotiating authority, strategies, and tactics.

- A “4” refers to states that have open meetings or standalone transparency laws that apply to collective bargaining by any government employer representative and *all* government unions, but provide for confidential employer-side discussions of negotiating authority, strategies, and tactics.⁸

As Dranias, Schlomach, and Slivinski point out in their study:

other states should follow Florida’s lead and ensure that all collective bargaining is held at open meetings regardless of whether the public employer negotiates directly through elected officials, the committees they appoint, or through an executive agent, such as a city manager. Additionally, all documentation generated in the course of such collective bargaining — preliminary or otherwise — should be clearly classified as public records for immediate or

eventual disclosure.⁹

Also in following Florida’s lead, states need to require “attorney-client communications conducted during executive session to be transcribed by a court reporter, but it does not apply this requirement to secret collective bargaining strategy meetings or communications.”¹⁰ Additionally, they point out that “without a measure of transparency in strategy sessions or communications, union-friendly elected officials will be free to influence the process to advocate the narrow interests of government unions without meaningful public accountability.”¹¹

In the conclusion of this study the final few sentences speak about the transformation that has taken part with the unions over the course of time:

It is no wonder that government unions and their political allies oppose efforts to bring transparency to collective bargaining — even going so far as to call ALEC’s model transparency legislation an effort at union busting. Today, they have everything to gain and nothing to lose from secret negotiations. But this opposition is ironic because, historically, when government unions were just getting their sea legs and were fighting a political class that opposed their very existence, it was often unions that sought to apply open meetings

**Public Interest Institute
at Iowa Wesleyan College
600 North Jackson Street
Mount Pleasant, IA 52641-1328**

NONPROFIT ORGANIZATION
U.S. POSTAGE PAID
MAILED FROM ZIP CODE 52761
PERMIT NO. 338

laws to the collective bargaining process. Now that government unions are firmly entrenched in the political establishment, they want the secrecy in government they once fought. Of course, apart from highlighting such hypocrisy, this switch in position underscores that transparency in collective bargaining would likely curtail union clout that contributes to the pay gap between government employees and private sector workers.¹²

It is important that we continue the push to bring transparency to union negotiations for our state. The taxpayers of Iowa need to remind the state employees that

they work for the taxpayers, who therefore have a right to know what is transpiring concerning the contract requests from the union to the Governor's office and from the Governor's office to the union. I would encourage everyone to let their voices be heard if you want more transparency in the union negotiations!

(Endnotes)

¹ Nick Dranias, Byron Schломach, and Stephen Slivinski, *Airing Out the Smoke-filled Rooms: Bringing Transparency to Public Union Collective Bargaining*, No. 255, Executive Summary, January 17, 2013, <http://goldwaterinstitute.org/sites/default/files/PR255%20Collective%20Bargaining_0.pdf> accessed on April 15, 2013.

² Ibid, p. 3.

³ Amy K. Frantz, *Iowa's Privileged Class: State Government Employees,*

Volume 19, Number 35, December 2012, <<http://www.limitedgovernment.org/brief19-35.html>> accessed on April 18, 2013.

⁴ Ibid.

⁵ "State of Iowa, union agree on contract; state employees will continue to pay nothing towards their health insurance," NorthIowaToday.com, March 7, 2013, <<http://northiowatoday.com/2013/03/07/state-of-iowa-union-agree-on-contract-state-employees-will-continue-to-pay-nothing-toward-their-health-insurance/>> accessed on April 18, 2013.

⁶ Nick Dranias, p. 1.

⁷ Ibid., p. 11.

⁸ Ibid.

⁹ Ibid., p. 14.

¹⁰ Ibid.

¹¹ Ibid, p. 15.

¹² Ibid.

*Jennifer L. Crull is an
IT Specialist with
Public Interest Institute.*