

## **The Maine Heritage Policy Center**

### **Testimony to Support LD 1232**

#### **“An Act To Ensure the Right To Work without Payment of Dues or Fees to a Labor Union as a Condition of Employment”**

Senator Bellows, Representative Sylvester and distinguished members of the Joint Standing Committee on Labor and Housing, my name is Adam Crepeau. I am a policy analyst at The Maine Heritage Policy Center. Thank you for the opportunity to testify in support of LD 1232.

The Maine Heritage Policy Center supports giving employees the right to work without requiring them to pay dues or fees as a condition of employment. Currently, 27 states have right-to-work (RTW) provisions in statute or in their state constitutions.<sup>1</sup> These policies may be widely adopted because of the positive outcomes associated with right to work legislation. In addition, these policies give workers more individual freedom to choose how they spend their hard-earned money.

First, let’s be clear on what RTW laws are, and what they aren’t. RTW laws do not outlaw unions. They do not make it harder for workers to join a union. They simply make sure that a worker has a choice about whether to join a union or not. Currently, Maine law allows employers to require that a prospective employee join a union and pay dues or fees as a condition of employment. LD 1232 would prohibit employers from requiring this and allow employees to choose for themselves.

Research has shown that RTW laws have a positive effect on economic performance in states that implement them.<sup>2</sup> For example, businesses are more likely to open plants or firms in RTW states, which results in higher employment.<sup>3</sup> In addition, between 2001 and 2013, GDP in RTW states grew faster than in non-RTW states.<sup>4</sup>

Further, states that force employees to pay dues or fees as a condition of employment have an overall higher cost of living.<sup>5</sup> In fact, the cost of living in these states was over 27 percent higher than states that did not have RTW laws in 2018.<sup>6</sup> While this does not signal causation, there is undoubtedly a correlation between the cost of living and RTW laws.

While the economic benefits of right to work legislation is clear, there is also a concern about individual freedom and worker protection. Individuals should not be required to contribute their

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<sup>1</sup> <http://www.ncsl.org/research/labor-and-employment/right-to-work-laws-and-bills.aspx>

<sup>2</sup> [https://www.nera.com/content/dam/nera/publications/2015/PUB\\_Right\\_to\\_Work\\_Laws\\_0615.pdf](https://www.nera.com/content/dam/nera/publications/2015/PUB_Right_to_Work_Laws_0615.pdf)

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> <https://nrtwc.org/living-in-right-to-work-states-is-more-affordable-for-everyone/>

<sup>6</sup> Ibid.

hard-earned money to labor unions in the form of dues or fees. Not to mention, labor unions in non-RTW states require an average of ten percent more in dues or fees and pay their officers approximately \$20,000 more.<sup>7</sup> This is likely because, until the Supreme Court's ruling in *Janus v. AFSCME* in 2018, employees could not opt-out of paying dues and fees, therefore the risk of losing members or agency fee payers was lower.

The committee should, at the very least, remove from Maine statute the provisions that require public sector employees to pay dues for collective bargaining. The Supreme Court's ruling in *Janus v. AFSCME* in 2018 gave public sector employees the right to stop paying dues and fees to labor unions.<sup>8</sup> The language in Title 26, Sections 963, 979-B, 1023, and 1283 do not reflect the decision made in the *Janus* case. In fact, all of these sections still read:

“[Public employees can] refrain from joining or participating in the activities of organizations for the purposes of representation and collective bargaining, except that an employee may be required to pay to the organization that is the bargaining agent for the employee a service fee that represents the employee's pro rata share of those expenditures that are germane to the organization's representational activities.”

Therefore, these sections of law need to be removed to conform with the *Janus* decision. Public sector employees have the right to know they are no longer required to pay dues or fees to public sector labor unions.

In sum, RTW laws are correlated with stronger economic performance, lower dues and fees, and gives workers their freedom to choose if they want to be part of a union. For those reasons, The Maine Heritage Policy Center urges the committee to vote, “Ought to Pass” on LD 1232. Thank you.

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<sup>7</sup><https://www.heritage.org/jobs-and-labor/report/unions-charge-higher-dues-and-pay-their-officers-larger-salaries-no-n-right>

<sup>8</sup> <https://www.forbes.com/sites/briankmiller/2018/06/27/unpacking-the-janus-decision/#16f39b4341a4>