# Union Time on the Taxpayer Dime

by Trey Kovacs MARCH 2016





# EXECUTIVE SUMMARY

- Taxpayer dollars directly subsidize government unions, because state employees are allowed to work for the union – rather than the public – while being paid by the state.
- In FY 2015, this subsidy cost the state more than 121,000 work hours and \$4.12 million, according to information provided by the state.
- Department of Corrections employees took over 11,000 hours of union leave, at a cost to taxpayers of almost \$1.5 million.
- The provision allowing this practice is part of all Collective Bargaining Agreements negotiated between the state of Connecticut and government unions.
- The unions can afford to pay for the work these state employees provide – and they should, especially at a time when the state is looking to cut its workforce.
- Taxpayers should not be forced to subsidize government unions in this way, particularly when the work the employees are doing is not in the public's best interest.
- In 2014, state officials expressed concern about the increase in employees requesting union release time.
- As noted by state officials in 2014, some state employees may be spending this time on political activities, which is unlawful.

#### Introduction

As of early 2016, Connecticut was in collective bargaining negotiations with a majority of its state employee unions over pay and work rules. While these negotiations were ongoing, news broke that the state's projected budget deficit was still increasing despite efforts to fix it prior to the start of the legislative session.<sup>1</sup> Declining revenue shortfalls are expected to continue in the future. To address these budget challenges, Governor Dannel Malloy, in his State of the State address, said the state workforce may be trimmed by 1,000 employees – or more if you ask his budget director.<sup>2</sup>

Fixing such a large budget deficit will take sacrifices from many areas of government. That means Connecticut's legislature should start with the low-hanging fruit. Any tax dollars that are not exclusively reserved for purely public purposes should be on the chopping block. Such an approach could save jobs and make sure the public receives necessary services.

One example -- which appears in all state employee collective bargaining agreements (CBAs) – is union business leave, also known as union release time. Under this policy, state employees are given leave to conduct union business – including political work – that is completely unrelated to their job responsibilities, during working hours and without loss of pay. Before trimming the state workforce or imposing other onerous cuts, Connecticut lawmakers should remove from state collective bargaining contracts the provisions that allow for union business leave – which subsidizes government unions' political activities at the expense of the taxpayer.

All Connecticut public employers grant union business leave to unions as part of collective bargaining agreements.<sup>3</sup> Paid union business leave places no obligation on government worker unions to provide anything to the public in return for this subsidy.<sup>4</sup> In general, activity conducted on union business leave includes preparing and filing grievances, negotiating contracts, and attending union meetings and conferences. However, permitted activities and the amount of release time granted to government unions vary from CBA to CBA.

Activities conducted on union business leave by public employees often directly conflict with taxpayers' interests, as a recent Goldwater Institute report shows.<sup>5</sup> When union business leave is used to negotiate contracts, government representatives sit on both sides of the table. The taxpayers (who are funding both sides of the contract negotiations) have no real voice in matters that determine government employee pay and benefits – which greatly impact their tax burden and government services.

The "business" conducted on union business leave serves the interests of government unions. As such, it is precisely the type of activity that should be supported by union dues. Unions, not taxpayers, should incur those costs. Yet, union business leave sticks taxpayers with the tab for union activity.

#### **Public Records**

As with many examples of government waste, Connecticut's state government does not publicize the cost of union business leave. The only way for citizens to find the amount of hours granted and cost of union business leave is to submit a public records request. On November 12, 2015, the Competitive Enterprise Institute and the Yankee Institute for Public Policy submitted a public records request to find out how many hours of union business leave Connecticut state public employers received, which activities it paid for, and at what cost.

In fiscal year 2015, Connecticut state employers granted state employees 121,517.86 hours of union business leave at a cost of \$4.12 million, according to public records from the Office of Policy and Management.<sup>6</sup> Below is a breakdown of the state employers that allot the greatest amount of union business leave.

#### Reported Activity on Union Business Leave

The Office of Labor Relations, within the Office of Policy and Management, breaks down authorized union business leave into six distinct categories:<sup>7</sup>

- LUBEA, union steward employee agency, "Paid leave for union stewards and other union officials to attend to contract administration duties at the steward's or official's own agency and work site that does not involve the participation of management representatives (e.g. meet with an employee(s) to process a grievance)."
- LUBEO, union steward employee outside, "Paid leave for union stewards and other union officials to attend to contract administration duties away from the steward's or official's own agency and/or work site that does not involve the participation of management representatives (e.g. meet with an employee(s) to process a grievance)."
- LUBLP, union business leave paid, "Paid leave for union stewards and other union officials when they are authorized to leave their work site on Union Business Leave (UBL). This time is deducted from the contractual bank of hours provided in each contract for such things as steward training, conventions, etc. This leave must be pre-approved by OLR. Not to be used by P-1 or NP-6 (1199) employees."

Year	Department/Agency	Hours	Cost
FY 2015	Department of Administrative Services	2,778	\$123,523.47
FY 2015	Department of Agriculture	286.3	\$46,645.60
FY 2015	Board of Regents	5,747	\$185,441.53
FY 2015	CT State University System	1,358.5	\$44,422.59
FY 2015	Department of Children and Family	3,207	\$126,837.06
FY 2015	Department of Consumer Protection	3,250	\$162,536.99
FY 2015	Department of Corrections	45,726	\$1,496,238.50
FY 2015	Department of Developmental Services	11,067.2	\$380,586.97
FY 2015	DMV	1,708	\$52,233
FY 2015	State Department of Education	2,189.5	\$66,851.80
FY 2015	Department of Energy and Environmental Protection	2,980	\$137,564.68
FY 2015	Office of Government Accountability	1,031.5	\$52,463.19
FY 2015	Department of Labor	6,120.5	\$78,483.49
FY 2015	MHA	8,567.0	\$264,399.17
FY 2015	Department of Social Services	6,115.5	\$217,402.1
FY 2015	Department of Transportation	7,971.00	\$286,172.24
FY 2015	Other Agencies	11,414.86	\$398,000
Totals		121,517.86	\$4,120,000

- RUBLP, union business release, "Paid leave for union stewards and other union officials when they are authorized to leave their work site on Union Business Leave (UBL). This time is deducted from the contractual bank of hours provided in each contract for such things as steward training, conventions, etc. This leave must be pre-approved by OLR. For use by P-1 or NP-6 (1199) employees only."
- LUBMR, union steward with management representative, "Paid leave for union stewards and other union officials for activities that involve the participation of management representatives, such as attending grievance conferences, arbitrations or prohibited practice conferences, representing employees at investigatory interviews or pre-disciplinary meetings (Loudermills), and/or participating in labor management meetings."
- LUBCN, union contract negotiations, "Paid leave to attend contract negotiations and/or contract interest arbitrations that involve the participation of management representatives."<sup>8</sup>

According to the information supplied by the Office of Policy Management in the responsive public records request, below is a summary of what union business leave was used for in 2014 and 2015:

Activity	Hours	Cost
LUBEA	5,875.52	\$232,688.41
LUBEO	25,575	\$921,735.68
LUBLP	51,352	\$1,849,028.62
LUBMR	19,209.7	\$626,490.71
RUBLP	15,354	\$502,926.50
UUBLU	4,417.5	0

Here is a concrete example of how union business leave is granted in collective bargaining agreements. The Administrative Clerical employees' collective bargaining agreement provides:

Official delegates to the biennial AFSCME Convention shall be granted leave without loss of pay or benefits for five (5) days. Not more than forty (40) employees shall be granted such leave. ... Each contract year, official delegates to the annual Connecticut State AFL-CIO Convention shall be granted leave without loss of pay or benefits for the days on which the Convention is scheduled not to exceed three (3) days. Not more than forty (40)employees shall be granted such leave. ... Each contract year, up to two hundred and fifty (250) Union designated officers and stewards shall be granted up to two (2) days of leave without loss of pay or benefits to attend training sessions. Up to forty (40) Union designated officers shall be granted an additional day of leave without loss of pay or benefits to attend training.9

#### **Concerns from Agencies about** Activity Conducted on Union Business Leave

State employees are allowed to engage in the activities outlined above and are required to report them. However, a 2014 general notice from the state Office of Labor Relations acknowledges concerns from agency personnel on 1) the increased requests for union business leave and 2) that union representatives may be conducting political activity on union business leave, which is prohibited. The notice goes on to direct agencies on how to properly record the union subsidy and explain that state employees on union business leave are prohibited from "membership and holding of office in a political party, organization or club, campaigning for a candidate in a partisan election by making speeches, writing on behalf of the candidate or soliciting votes in support of or in opposition to a candidate and making contributions of time and money to political parties, committees or other agencies engaged in political action."<sup>10</sup>

The Office of Labor Relations urges agency personnel to accurately record union business leave and to report activity that is not authorized in collective bargaining agreements.

#### How to End Union Business Leave

Connecticut has two viable options to eliminate union business leave. The best mechanism to eliminate union business leave is for Connecticut public employers to stop including union business leave in contracts in the upcoming contract negotiations. There is no obligation on Connecticut state employers to provide union business leave in collective bargaining agreements.

Another opportunity, albeit more difficult, would be for the Connecticut Legislature to prohibit union business leave. Here is a model bill that would prohibit union business leave:

#### **Prohibition on Paid Union** Activity (Release Time) by **Public Employees Act**

#### Summary

This Act prohibits "release time" – the practice of paying a public employee a public salary for time spent in union recruiting and representation activities. In some cases, public employees have become full-time union activists, drawing a fulltime public salary and enjoying publicly paid benefits such as health insurance and pension earnings while doing so. While public employees should not be prohibited from freely associating outside of their employment duties, including hiring individuals to help represent their interests, this should occur at public employee, not taxpayer, expense.

#### Model Policy

**Section 1.** {START\_STATUTE Definitions} The following definitions apply in this Act:

(A) "Employment bargain" means any formal or informal employment contract, agreement or understanding regarding the wages, benefits, or terms and conditions of employment of any public employee.

(*B*) "Public employee" means any individual who is employed by a public employer.

(*C*) "Public employer" means any branch, department, division, office, agency, or political subdivision of this state that has employees.

(D) "Union" means any association or organization, incorporated or unincorporated, that primarily exists to represent the interests of member employees in wages, benefits, and terms and conditions of employment.

(*E*) "Union activities" means activities that are performed by a union, union members or representatives that relate to advocating the interests of member employees in wages, benefits, terms and conditions of employment or the enforcement, fulfillment, or advancement of the union's organizational purposes, obligations, external relations, or internal policies and procedures. **Section 2.** {Prohibition Against Compensation for Public Employee Union Activities}

(A) A public employer shall not enter into any employment bargain with any public employee or union to compensate any public employee or third party for union activities. Any employment bargain that includes compensation to public employees or third parties for union activities is declared to be against the public policy of this state and is void.

(B) This section does not prohibit a public employee from receiving compensated leave time for any personal purpose, provided that such compensated leave time is not knowingly taken or given to compensate for union activities.
(C) This section does not apply to any existing non-executory contracts in effect before the effective date of this section but an existing contract shall not be renewed if the contract has any terms that conflict with this section.

(D) The attorney general shall enforce this section. Any taxpayer of the jurisdiction in which a violation of this section occurs has standing in any court of record to bring a special action against any agent or agency of this state or its political subdivisions to remedy any violation of any provision of this section.<sup>11</sup>

#### Conclusion

When the demand for government services exceeds the resources available, government should first cut funding for activities that do not serve public need. Under union business leave, the government pays unions to perform activities exclusively of interest to them. This is clearly unjust to the taxpaying public, who expect the government to work for them, not the unions. Now is the time for public officials to safeguard all tax dollars and ensure that they are spent on proper public purposes.

United States House of Representatives, Official Time: Good Value for the Taxpayer? 112th Congress,

June 1, 2011, http://www.heritage.org/research/testimony/2011/06/official-time-good-value-forthe-taxpayer.

<sup>10</sup> Ibid.

<sup>&</sup>lt;sup>1</sup> Keith M. Phaneuf, "CT Finances Take Another Big Hit As Projected Revenues Plunge," CTMirror, February 25, 2016, http://ctmirror.org/2016/02/25/ct-finances-take-another-big-hit-as-projected-revenues-shrink/.

<sup>&</sup>lt;sup>2</sup> Keith M. Phaneuf, "Eroding income tax receipts undo much of recent state budget repair," The CT Mirror, January 15, 2016, http://ctmirror.org/2016/01/15/ eroding-income-tax-receipts-undo-much-of-decembers-state-budget-repairs/.

<sup>&</sup>lt;sup>3</sup> OPM: Office of Labor Relations Contracts, OPM: Office of Labor Relations Contracts, State of Connecticut, March 18, 2015, Accessed on Feb. 18, 2016, http://ct.gov/opm/cwp/view.asp?a=2992&q=383228.

<sup>&</sup>lt;sup>4</sup> Testimony of James Sherk before the Committee on Oversight and Government Reform

<sup>&</sup>lt;sup>5</sup> Jonathan Riches, et al., "Public Money for Private Gain: Legal Strategies to End Taxpayer-Funded Union. Activism and Pension Spiking," Goldwater Institute, June 10, 2014, http://goldwaterinstitute.org/sites/default/files/Release%20Time\_0.pdf.

<sup>&</sup>lt;sup>6</sup> The public records are available at http://www.YankeeInstitute.org/uniontime.

<sup>&</sup>lt;sup>7</sup> These letters are the codes used to input release time, not acronyms.

<sup>&</sup>lt;sup>8</sup> State of Connecticut Office of Labor Relations, General Notice 2014-14 to Labor Relations Designees, subject union leave, September 5, 2014.

<sup>&</sup>lt;sup>9</sup> Contract between State of Connecticut and American Federation of State, County and Municipal Employees, AFL-CIO Locals 196, 318, 355, 478, 538, 562, 610 and 704 of Council 4, Administrative Clerical (NP-3) Bargaining Unit, http://ct.gov/opm/cwp/view.asp?a=2992&q=383228. http://www.yankeeinstitute. org/uniontime.

<sup>&</sup>lt;sup>11</sup> "Prohibition on Paid Union Activity (Release Time) by Public Employees Act," American Legislative Exchange Council, http://www.alec.org/modellegislation/prohibition-on-paid-unionactivity-release-time-bypublic-employees-act/.

## **ABOUT THE AUTHOR**

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