

MARYLAND STATE & D.C. AFL-CIO

AFFILIATED WITH NATIONAL AFL-CIO

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HB 1203 - Labor and Employment – Private-Sector Employers – Right to Work House Economic Matters Committee March 8, 2022

OPPOSE

Donna S. Edwards President Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to testify in strong opposition to HB 1203 - Labor and Employment – Private-Sector Employers – Right to Work. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of the 340,000 union members in the state of Maryland.

Right to Work is clever branding. Meant to be misleading, Right to Work laws do nothing to increase workers' chances of finding a job, being paid more, and it definitely does not create a right to a job. Right to Work is a political strategy designed to confuse and divide workers so that corporate interests can take away rights from workers further rigging the system at the expense of workers in favor of the wealthiest 1% and eroding the middle class.

In a stunning admission of failure, anti-labor Gov. Jim Justice of West Virginia explained on February 23, 2021, that the state's "right to work" law and repeal of prevailing wage did not deliver the jobs and the economic boom that was promised. "Well, the bottom line to the whole thing is just really simple. We went out and passed a 'right to work' law, we got rid of prevailing wage, we built fields all over the place thinking that they will come," Justice said. "They didn't come, did they?" he added. It is surprising and encouraging that Governor Justice released a statement acknowledging the truth about Right to Work and its bad policies.

Other states have shown a reticence to embrace this failed policy. In Missouri in 2018, voters rejected a Right to Work ballot question by 67% to 33%. In 2016, the voters of Virginia rejected a ballot initiative to enshrine Right to Work in the State Constitution. When put directly in front of the voters – and the negative effects are fully exposed – Right to Work is rejected.

Proponents of RTW laws claim to be protecting workers against being forced to join a union. The FACT is that federal law already makes it illegal to force a worker to join a union. Instead, RTW forces the union to represent the non-paying worker no matter the cost or the detriment to other workers. RTW laws prohibit contracts that require all workers who benefit from the union's collective efforts in a bargaining unit to help pay for these benefits. The non-paying worker receives all the increased wages and benefits negotiated by the union and must be represented by the union in grievances against management.



Corporate funded organizations such as the National Right to Work Foundation and the State Policy Network are financed by a network of extremely wealthy individuals and corporate billionaires who want to use state legislatures, Congress, and the courts to rig rules against working people. RTW is a well-funded centralized campaign to weaken unions thereby weakening working people's leverage over their working conditions and ability to collectively negotiate for better wages, benefits and quality of life. RTW laws result in suppressing wages and forces union members to pay for and provide services for free to nonpaying workers. The RTW crowd want to strike a "mortal blow" and "defund and defang" unions and they bankroll politicians who will carry their water.¹

Of the 21 States stuck at federal minimum wage (\$7.25) 19 are right to work states. Twelve of the 15 states with the worst pay gap between men and women are right to work states. Wages are lower in states with RTW laws. The average worker in states with RTW laws makes \$8,989 (15.2%) a year less than workers in other states (\$50,174, compared with \$59,163)¹, median household income in states with RTW laws is \$11,628 (15.4%) less than in other states (\$64,071, compared with \$75,700)² and, 24.0% of jobs in RTW states are in low-wage occupations, compared with 14.5% of jobs in other states³. On average, wages drop 3.1% when RTW laws are enacted in a state. Because of the higher wages and quality of jobs, working families in states without RTW laws also benefit from healthier tax bases that improve the quality of life for everyone.

Right to Work laws endanger safety and health standards that protect workers on the job. Working people and their unions have a long history of fighting for tougher workplace safety and health rules. Right to work laws weaken workers' ability to stand together in order to maintain and strengthen workplace safety and health standards. According to the most recent 2019 data from the Bureau of Labor Statistics, the rate of workplace deaths is 37% higher in states with RTW laws⁴.

The Economic Policy Institute memorandum, "What's Wrong With 'Right-to-Work'", examined the claims that states with right-to-work laws experienced personal income growth and employment growth by separating ideological passion and scientific fact. Studies finding positive employment effects of RTW laws failed to control for numerous factors affecting employment such as educational levels, disparity in health care, and infant mortality:

- People younger than 65 in states with right to work laws are more likely to lack health insurance (11.9%, compared with 8.1% in free-bargaining states).
- Poverty rates are higher in states with right to work laws (11.2% overall and 15.6% for children), compared with poverty rates in states without these laws (8.9% overall and 12.2% for children).

https://www2.census.gov/programs-surveys/cps/tables/pov-46/2020/pov46_weight_10050_3.xlsx; US Census Bureau, Current Population Survey, POV46: Poverty Status by State: 2019 Below 100% and 50% of Poverty -- All People, weighted average count, https://www2.census.gov/programs-surveys/cps/tables/pov-46/2020/pov46 weight 10050 1.xlsx

¹ Bureau of Labor Statistics, Quarterly Census of Employment and Wages, data extracted on December 3, 2020, https://data.bls.gov/cgi-bin/dsrv?en

² U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements. Table H-8. Median Household Income by State: 1984 to 2019,

³ Prosperity Now Scorecard, Low Wage Jobs, 2019 data,

⁴ U.S. Department of Labor, Bureau of Labor Statistics, National Census of Fatal Occupational Injuries in 2019, www.bls.gov/news.release/pdf/cfoi.pdf.

⁵ http://www.epi.org/publication/pm174/

⁶ US Census Bureau, Table HIC 06, Health Insurance Status and Type of Coverage by State: Persons Under 65 2008 - 2019,

https://www2.census.gov/programs-surveys/demo/tables/health-insurance/time-series/acs/hic06 acs.xlsx

⁷ US Census Bureau, POV46: Poverty Status by State: 2019, Below 100% and 50% of Poverty -- People Under 18 Years of Age, weighted average count,

- States with right to work laws spend 31.6% less per pupil on elementary and secondary education than other states.⁸
- The EEOC reports it receives 36% higher than average discrimination complaints from RTW states

There is ample evidence that Right to Work laws hurt all workers, union and nonunion, and our communities. The false claims that supporters give for right to work laws are an attempt to deceive people from the real reasons they want to pass these bills – to rig the laws against working people, and rake in profits for large businesses and corporate CEO's by securing a pathway for them to pay workers less, provide less benefits, work us more and prevent us from doing anything about it at the worksite or with elected officials and legislatures.

We ask for an unfavorable report on HB 1203.

ⁱ Tracie Sharp, SPN's CEO and President, stated clearly in an internal document provided to <u>The Guardian by the Center for Media and Democracy</u>, that their objective is to "defund and defang one of our freedom movement's most powerful opponents, the government unions" and to "deal a major blow to the left's ability to control government at the state and national levels. I'm talking about *permanently depriving* the left from access to millions of dollars in dues extracted from unwilling union members every election cycle."

⁸ Source: NEA Research, Rankings of the States 2019 and Estimates of School Statistics 2020, Table F-8 Public school current expenditures per student in fall enrollment, June 2020,https://www.nea.org/sites/default/files/2020-07/2020%20Rankings%20and%20Estimates%20Report%20FINAL_0.pdf