

**Testimony in Opposition of House Bill 494
Labor and Employment – Private-Sector Employers – Right-to-Work**

**Economic Matters Committee
February 14, 2023**

**Cheryl Bost
President**

The Maryland State Education Association strongly opposes House Bill 494. House Bill 494 would ban fair share agreements between employers and labor unions in the private sector. Under federal labor law, no worker can be forced to join a union as a condition of employment; however, workers who are covered by a collective bargaining agreement, but do not wish to become union members, may be required to pay a fair share fee.¹ Fair share fees cover the cost of union representation that benefits all workers, including the costs associated with contract negotiations and enforcement.² House Bill 494 is union-busting legislation designed to stifle the power of workers acting collectively through their unions.

MSEA represents 75,000 educators and school employees who work in Maryland's public schools, teaching and preparing our almost 900,000 students so they can pursue their dreams. MSEA also represents 39 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3 million-member National Education Association (NEA).

So-called “right-to-work” laws have a history rooted in racism. One of the earliest proponents of these laws, Vance Muse, touted this policy as a means to maintain racial segregation in the Jim Crow South.³ Muse, a white supremacist and anti-Semite, dedicated his career to fighting a variety of progressive causes through his organization, the Christian American Association.⁴ In 1944, Muse and the Christian

¹ Celine McNicholas, Zane Mokhiber, and Marni von Wilpert, Economic Policy Institute, *Janus and fair share fees: The organizations financing the attack on unions' ability to represent workers*, 1-2 (Feb. 21, 2018), <https://files.epi.org/pdf/142063.pdf>.

² *Id.* at 2.

³ Michael Pierce, LaborOnline, *The Origins of Right-to-Work: Vance Muse, Anti-Semitism, and the Maintenance of Jim Crow*, The Labor and Working-Class History Association (Jan. 12, 2017), <https://www.lawcha.org/2017/01/12/origins-right-work-vance-muse-anti-semitism-maintenance-jim-crow-labor-relations/>; See also, Pablo Ros and TK Spandhla, American Federation of State, County and Municipal Employees, *The Racist Roots of Right to Work*, <https://www.afscme.org/blog/the-racist-roots-of-right-to-work>.

⁴ Pierce, *supra* note 3.



American Association distributed campaign literature that warned of racial integration in the workplace if voters did not support a right-to-work constitutional amendment to the Arkansas Constitution.⁵

Research consistently finds that workers earn less in wages and experience lower rates of unionization in states that have enacted right-to-work legislation. The Economic Policy Institute has concluded that wages in right-to-work states are 3.1% lower than states without a right-to-work law.⁶ This amounts to approximately \$1,558 in lower annual wages for workers residing in a right-to-work state.⁷ States that enacted right-to-work legislation between 2011–2017, including Indiana, Michigan, Wisconsin, West Virginia, and Kentucky were found to have a 4% drop in the unionization rate five years after enacting the legislation and a wage drop of approximately 1%.⁸ The research concluded that right-to-work laws have a significant impact on unionization rates and wages in three industries with high union density—construction, education, and public administration. Among those three sectors, right-to-work legislation reduced unionization by almost 13% and reduced wages by more than 4% over a five-year period.⁹ It is unmistakably clear that right-to-work legislation is not a policy designed to enhance economic security or freedom for workers, but rather a device used to silence workers and their unions.

Extremist justices on the U.S. Supreme Court voted to overturn decades of legal precedent and imposed right-to-work as the law of the land in the public sector. However, MSEA stands in solidarity with our union allies in the private sector fighting this anti-worker legislation. We urge lawmakers to dedicate their time, resources, and energy formulating policy solutions that will lift up workers, their families, and communities so everyone may enjoy shared prosperity rather than introducing bills designed to weaken workers' power.

We strongly urge an Unfavorable Report on House Bill 494.

⁵ *Id.*

⁶ Elise Gould and Will Kimball, Economic Policy Institute, “Right-To-Work” States Still Have Lower Wages, 2 (Apr. 22, 2015), <https://files.epi.org/pdf/82934.pdf>.

⁷ *Id.*

⁸ Nicole Fortin, Thomas Lemieux, and Neil Lloyd, National Bureau of Economic Research, *Impacts of Right-to-Work Laws on Unionization and Wages* (Aug. 8, 2022), <https://www.nber.org/digest/202208/impacts-right-work-laws-unionization-and-wages>.

⁹ *Id.*