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The public is demanding a different direction for their government, and the Texas Public Policy Foundation is providing the ideas that enable policymakers to chart that new course.

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# Paycheck Protection

## The Issue

The state of Texas and most local governments, including school districts, provide automatic deduction of union dues from public workers' paychecks. However, it is not the role of government to serve as the dues collector for unions, or as a revenue collector for any private organization. Along those lines, many states have already adopted laws prohibiting state and local governments from collecting union dues.

The statutes now on the books in states like Wisconsin, Michigan, North Carolina, and Alabama do not limit in any way the ability of members of government unions and other public employees to pay dues to their labor organization or to contribute to union PACs. But the statutes do require public union officials to make their own arrangements with union members regarding dues collections, rather than rely on the public employer to deduct union dues automatically out of employee paychecks.

The experience of these states in the relatively short time that the bans on automatic payroll deduction have been in effect suggests that, in many cases, once employers cease collecting union dues out of their paycheck, and they have to take active measures to continue bankrolling their union, public employee union members conclude the organization does not merit their financial support after all

Requiring union members and all government employees to make private arrangements with unions is important, given that unions such as the American Federation of State, County and Municipal Employees and the Service Employees International Union use funds collected from public sector employees to fund their private sector unionization drives. It is not the role of government at the state or national level to act as the middleman and dues collector for private organizations like unions. Prohibiting the state government from acting as a dues collector for private organizations is restoring government to its proper role.

## The Facts

- Texas' government unionization rate is roughly 20%.
- Currently the state of Texas collects dues on behalf of public sector unions.

## <u>Recommendation</u>

Prohibit deduction of union dues from public workers' paychecks.

### Resources

<u>State Labor-Management Policy and the Texas Model</u> by Stanley Greer, Texas Public Policy Foundation (Feb. 2015).

*The Texas Miracle and Labor Policy* by Bill Peacock, Texas Public Policy Foundation (April 2015).

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