## Testimony before Senate Commerce Committee Senate Bill 179- Public Employer-Employee Relations Act Presented by Eric Stafford, Vice President of Government Af



## Wednesday, March 11, 2015

Madam Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs with the Kansas Chamber of Commerce. The Kansas Chamber is pleased to support Senate Bill 179 which amends the Public Employer-Employee Relations Act (PEERA).

The exponential growth of public sector unions has put taxpayers at risk. In 2008, 37% of government employees were unionized- five times the level of private sector employees. In 2009 for the first time, there were more public sector union members than private sector members.

Public sector unions lack competition. Private sector unions bargain over profits while public sector unions bargain over tax dollars. As union benefits grow (typically at a much higher rate than the private sector), public employers require more resources to fund them and the taxpayer foots the bill. Government unions typically enjoy above-market compensation through better health benefits, pensions, job security and earlier retirement than private sector workers at the expense of taxpayers.

The 2008 economic downturn exposed the harsh reality of unsustainable growth of public sector unions. Detroit is the poster child of uncontrollable growth of government. The city at one point negotiated with as many as 50 bargaining units for services.

Senate Bill 179 limits "conditions of employment" salaries and wages. Courts have concluded existing language is a non-exclusive definition and many items that are negotiated today fall outside of the intended definition leaving the public employer, and the taxpayer on the hook for benefits greater than those typically available in the private sector.

Additionally, SB 179 requires any public employer who enters into an agreement with a public union to submit a resolution to the voters for approval. The public employer will only be covered under PEERA if a majority of voters pass such resolution.

In conclusion, Senate Bill 179 protects taxpayers from unsustainable bargaining arrangements and gives the voters a say in whether their government should enter into an agreement with a public union.

\* \* \* \* \* \* \* \* \* \*

The Kansas Chamber, with headquarters in Topeka, is the leading statewide pro-business advocacy group moving Kansas towards becoming the best state in America to do business. The Chamber represents small, medium and large employers all across Kansas.