



Southern California
Chapter

March 28, 2017

The Honorable Assemblyman Matthew Harper
California State Assembly
State Capitol, Room 5126
Sacramento, California 95814

Champions of Free Enterprise

**SUBJECT: ASSEMBLY BILL 1174 (HARPER) ESTABLISH CALIFORNIA AS A RIGHT-TO-WORK STATE –
SUPPORT – ASSEMBLY LABOR & EMPLOYMENT COMMITTEE HEARING: APRIL 19, 2017**

Dear Assemblyman Harper:

The Associated Builders and Contractors, Southern California Chapter (ABC SoCal) is pleased to **SUPPORT AB 1174 (Harper)** which seeks to eliminate a problem that requires an employee to become or remain a member of a labor organization; be forced to pay any dues, or other similar charges to a labor organization; or be forced to pay any charity or other third party any amount in lieu of dues.

Right-to-Work Legislation in California could put an end to a type of forced employment discrimination in the Golden State. ABC SoCal applauds legislation that would prevent officials from extracting union dues from workers' paychecks as a condition of employment in California. Of course, while ending compulsory unionism is simply the right thing to do, one should also note the undeniable positive economic impact Right-to-Work laws bring as another reason for Right to Work's growing popularity among both the public and elected officials.

A Right-to-Work law would bring greater personal freedom and stronger economic growth to California. 28 states have passed such laws, including six in just the last five years - Indiana (2012), Michigan (2012), Wisconsin (2015), West Virginia (2016), Kentucky (2017) and Missouri (2017). The overwhelming majority of Americans already oppose forcing anyone to pay dues or fees as a condition of employment. Studies demonstrate that workers in Right-to-Work states enjoy greater private sector job growth and higher disposable incomes than their counterparts in states without Right-to-Work protections. For the past decade, private sector job growth in Right-to-Work states has grown twice as fast compared to that in forced-unionism states like California. And those jobs Right-to-Work states are gaining are good, high-paying jobs.

According to data from the Departments of Labor and Commerce, from 2005 to 2015, real private sector employee pay and benefits in Right-to-Work states grew by nearly 17% — almost a third more growth than forced-unionism states saw. So it comes as no surprise that Indiana, Michigan and Wisconsin, the most recent states to have Right-to-Work laws go into effect for which data is available — have all experienced the proven job-creating impact that passage of a state Right-to-Work law has on state economies. In just the first eight months after the Indiana Right-to-Work Bill was signed into law, the Hoosier State gained over 100,000 new jobs according to the Bureau of Labor Statistics. Ten months after Indiana ended forced unionism within its borders, Michigan passed its own state Right-to-Work law. According to the most recent data available, in Michigan's first 19 months with Right to Work, from

March 2013 through October 2014, the state had a 3.3% gain in manufacturing payroll, far outpacing forced-unionism states, which clocked in at only 0.6%. Finally, while full data isn't yet available from Wisconsin, the upswing is clear. In fact, over its first twelve months as a Right-to-Work state, from February 2015 to February 2016, Wisconsin gained 49,100 private sector jobs — a level of job growth the state hadn't seen in over a decade.

ABC also believes that compulsory unionism is just plain wrong. Right-to-Work is good for workers, good for the economy, good for job creation and good for the states that pass it. **AB 1174 (Harper)** would enshrine in California law the common-sense principle — already enforced in more than half of U.S. states — that no worker should be compelled to join or pay dues to a union just to get or keep a job.

ABC is an organization of Merit Shop construction employers. Merit Shop is a way of doing business in which companies reward employees based on performance and encourage them to reach their highest level of achievement, and in which contracts are awarded based on safety, quality, and value, regardless of labor affiliation.

For these reasons, Associated Builders and Contractors, Southern California Chapter is pleased to **SUPPORT AB 1174 (Harper)**. Thank you and please feel free to contact me at deverett@abcsocal.net or 714-600-6250 if I might be of assistance or answer any questions.

Sincerely,



Dave Everett

Government Affairs Director

Associated Builders and Contractors, Southern California Chapter