

## Official Argument and Explanation for Issue 2

### Vote YES on Issue 2

A **YES vote on Issue 2** will make long overdue reforms to unfair and costly government employment practices in Ohio, while helping to get government spending under control and making government more accountable to taxpayers.

**Your YES vote on Issue 2 will:**

#### **Protect Good Teachers and Improve Our Schools**

**Issue 2** keeps the best teachers in the classroom by ending the unfair practice of seniority-based layoffs, which forces struggling schools to cut many of our best teachers first.

**Issue 2** returns control of our schools to taxpayers by bringing increased transparency to teacher contract negotiations.

**Issue 2** enables schools to retain and reward good teachers by allowing them to base pay raises on job performance.

#### **Restore Balance and Ensure Fairness**

**Issue 2** ensures that government employees receive quality health care, but asks them to pay a mere 15% of their health insurance coverage, which is still less than half of what the average private sector worker pays (31%).

**Issue 2** asks government employees to make a fair contribution (10%) to their taxpayer funded retirement plans instead of requiring taxpayers to provide these pension benefits for free. Many private sector workers get no retirement benefits at all.

**Issue 2** allows good job performance to be considered when awarding pay raises to government employees. Private sector workers earn their paychecks by doing a good job, and so should government employees.

#### **Get Spending Under Control, Retain Jobs, and Protect Taxpayers**

**Issue 2** will save our communities millions of dollars annually, helping them balance their budgets and retain jobs.

**Issue 2** will protect taxpayers by giving them the right to reject unaffordable government employment contracts.

*"Issue 2 is the right change at the right time"*

**Vote YES on Issue 2**

## State Issue 2: Three Reasons to Vote YES

---

**Restoring Fairness:** State Issue 2 offers our local communities some very fair and reasonable reforms to help get spending under control. It asks our government employees to:

- #1 • Pay at least 15 percent of the cost of their health insurance coverage, with taxpayers funding the rest. That's less than half of the average cost for the vast majority of Ohioans who work in the private sector.
- Make a small contribution (10%) to their publicly funded retirement plan, rather than forcing taxpayers to provide generous, gold-plated pensions for free. Many private sector workers get no pension benefit at all.
- Allow job performance to be considered when deciding whether to reward or retain employees, especially in our schools. Private sector workers earn their paychecks by doing a good job – so should government employees.

These reforms will save our communities millions of dollars annually, while still giving our government workers better pay, better health care and better retirement benefits on average than the vast majority of Ohioans who work in the private sector.

**Respecting Taxpayers:** Our state budget faced an unprecedented \$8 billion shortfall this year (the largest in state history), and many local communities are facing similar financial challenges. The rising cost of government labor, which now consumes roughly 80% of local budgets, has been identified as a common source of unsustainable spending.

Over the past three decades, government union contracts have added an expensive array of union controls and fringe benefits that taxpayers can no longer afford, such as:

- automatic pay raises with no regard for performance,
- generous health and retirement packages at little-to-no employee cost and
- excessive paid leave policies.

Ohio taxpayers, who fund these perks, seldom get similar treatment in the private sector. It's simply not fair to ask the vast majority of Ohioans to fund excessive, unsustainable government pay and benefits, especially in this tough economy.

Voting YES on State Issue 2 will help our local communities get these costs under control, while still providing exceptional pay and benefits to our hard-working government employees.

**Reclaiming Schools:** Some of the most powerful reforms in Issue 2 will help improve our underperforming schools.

- Issue 2 returns control of our schools to the taxpayers and their locally elected school boards.
- #3 • Issue 2 allows us to retain and reward good teachers, while making it harder for bad teachers to hide behind the protections of a union contract.
- Issue 2 eliminates the outdated practice of seniority-based layoffs, which forces struggling districts to cut good teachers, regardless of how well they do their jobs.
- Issue 2 provides more transparency in teacher contract negotiations, allowing pay raises to be measured against performance.

**The Bottom Line:** The overwhelming majority of Ohioans say they're unhappy with the direction of our state, yet the opponents of Issue 2 are doing everything in their power to keep us from changing course. They want us to keep the same failed government policies and practices that have led to historic budget shortfalls, double-digit unemployment rates and economic recession. A YES vote on Issue 2 provides some fair and reasonable reforms to move our state toward recovery.

**SB 5****ENDING THE EXCESSIVE POWER OF  
PUBLIC EMPLOYEE UNION BOSSES****RESTORING THE RIGHT OF SELF-  
GOVERNMENT TO THE PEOPLE OF OHIO**

Ever since the government employee unions were granted collective bargaining power by the Ohio legislature in the early 1980's, the use of this power has damaged this State in a variety of ways. There are 6 major reforms in SB 5 that will give us the tools to undo the damage:

<b>Union Power Problem</b>	<b>SB 5 Solution</b>
<p>1. When public employers and public safety unions cannot agree on contract terms, an unelected 3<sup>rd</sup> party arbitrator decides the unresolved issues.</p> <p>Result: Unelected 3<sup>rd</sup> parties decide how to spend state and local tax dollars, how public safety services will be performed and the standard of performance for public safety employees. Or, to avoid 3<sup>rd</sup> party decisions, public employers make unwise concessions.</p>	<p>Decision by 3<sup>rd</sup> party is eliminated. Elected governing body makes final decisions on how tax money will be spent and public safety services will be performed and the (reasonable) standards of performance for public safety employees.</p>
<p>2. Public employees not in public safety jobs have a legally protected right to strike and disrupt public services.</p> <p>Result: Either disruption of services or unwise concessions to avoid this.</p>	<p>Government employee strikes unlawful (just as for all federal employees). Strikes might still occur, but the public employer will have the right to discharge strikers.</p>
<p>3. State or local government employee benefits are excessive. This includes retirement, medical and paid time off.</p>	<p>Limitations of benefits bring government employees in line with private sector, e.g., mandate that employees pay at least 15% of cost of health insurance.</p>
<p>4. Union contract strict seniority rules lock in mediocrity and discourage (and sometimes eliminate) the best and brightest.</p>	<p>Seniority may no longer be the controlling factor in public employee layoff and job assignment changes resulting from layoff; it may still be a factor.</p>
<p>5. Union power prevents reforms that save money, improve service or both.</p>	<p>Privatization, contracting out, and staffing levels are no longer subject to union collective bargaining power.</p>
<p>6. Most union contracts force covered employees to pay union dues or a "fair share fee" through automatic payroll deduction. This gives union bosses the funds to pay their salaries and benefits and to campaign for the power to maintain and grow their income.</p>	<p>Public employees can no longer be forced to pay dues or fees to a union.</p>

"Even President Franklin Roosevelt, a friend of private-sector unionism, drew a line when it came to government workers: "Meticulous attention," the president insisted in 1937, "should be paid to the special relations and obligations of public servants to the public itself and to the Government . . . the process of collective bargaining, as usually understood, cannot be transplanted into the public service." *The Trouble with Public Sector Unions*, NATIONAL AFFAIRS (FALL 2010) by Daniel DiSalvo, Asst. Prof. Political Science, City College of New York.

For more information: [www.SB5Truth.com](http://www.SB5Truth.com)  
[www.buckeyeinstitute.org](http://www.buckeyeinstitute.org)