

**Op-Ed -- Without labor reforms, taxpayers should prepare to open their wallets  
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Evergreen contracts. Binding arbitration. Expanded overtime for firefighters. We're only three months into the General Assembly's legislative session, and we're already seeing the return of these perennial special interest bills for public sector unions, plus some new ones tossed in for good measure. It's enough to make a mayor's head spin and a taxpayer weep.

Mayors and town managers are united in their commitment to protect local taxpayers. They have an obligation to provide an affordable place to live. Approximately 2/3 of city and town budgets come from property taxes. The Tax Foundation ranks Rhode Island as having the sixth highest property tax burden in the country, so municipal leaders have been tightening their belts to control spending. In the last five years, total property tax collections have risen about 2% per year - just above inflation - well below the 4% annual cap permitted under state law.

Key to controlling costs is managing personnel, which is the largest component of municipal budgets; as much as 75% of local spending is for employee wages, health care and retiree benefits. Unfortunately, state laws currently limit the ability of mayors and town managers to negotiate good deals for the taxpayer, and bills in the General Assembly would make the problem even worse. If legislators force higher personnel costs on cities and towns, the only alternatives are property tax increases or deep cuts to important services.

Back again is the evergreen contracts bill (H5437, S512), which would allow municipal employee and teacher collective bargaining agreements to remain in effect after they have expired, potentially allowing the contract terms to go on indefinitely. Without an expiration date to compel parties to negotiate, municipal officials will not be able to make realistic and needed changes - particularly in a recession when employees are better off keeping what they already have. Governor Raimondo rightly vetoed this legislation in 2017, and the League will continue to oppose it.

In addition to contracts that go on in perpetuity, the expansion of binding arbitration will put up to 75% of a city's budget in the hands of an unelected arbitrator (H5260, S511). The League has proposed legislation reforming binding arbitration by requiring mediation first, limiting the scope of arbitration decisions and preventing an arbitration award from exceeding budgeted levels and creating a deficit. We hope that the General Assembly shows a commitment to these reforms before expanding arbitration.

Finally, a new bill in the General Assembly would require firefighters to be paid overtime for any hours above 42 per week (H5662). It appears that this legislation is intended to limit local

officials' ability to modify platoon structures in a way that meets the community's needs. Last December, the RI Public Expenditure Council found that Rhode Island had the highest per capita spending on fire protection services in FY2016 - more than double the national average. The Federal Fair Labor Standards Act already recognize that public safety officials have more complex schedules, in some cases working one long shift and then having multiple days off. Under federal standards, firefighters are not required to receive overtime unless they have worked more than 53 hours in an average week. With the highest fire protections costs in the nation, Rhode Island should not be setting a lower threshold for overtime than required under federal law, which would only raise personnel costs instead of investing scarce tax dollars into lifesaving equipment.

Our mayors and town managers recognize the vital contributions of municipal workers, who protect our communities, educate our children and provide essential services to residents and businesses. In nearly every community, municipal leaders have good working relationships with their employees and support harmonious labor negotiations. However, municipal officials must also protect their residents' wallets, and each contract negotiation is a careful balancing act among many needs. Unfortunately, the bills in the General Assembly would tilt the playing field and tie the hands of municipal leaders who were elected to act in the best interest of their taxpayers.