MICHAEL S. PIECIAK STATE TREASURER

RETIREMENT DIVISION TEL: (802) 828-2305



UNCLAIMED PROPERTY DIVISION

TEL: (802) 828-2407

ACCOUNTING DIVISION TEL: (802) 828-2301

TO: Rep. Thomas Stevens, Chair

Members of the House Committee on General and Housing

FROM: Mike Pieciak, State Treasurer

DATE: April 19th, 2024

RE: Testimony in Support of Proposal 3 to the Vermont State Constitution and related bills

(H.858 and S.102) now pending in Committee

Dear Chair Stevens and Members of the Committee:

I write in strong support of Proposal 3 which would enshrine the constitutional right to collectively bargain in the Vermont State Constitution. I write, also, to express support for two related bills currently pending in your Committee: H.858 (unionization and bargaining rights for assistant attorneys general), and S.102 (expanding employment protections and collective bargaining rights).

As you know, as Treasurer I work to grow our economy and help Vermonters build a stronger financial future. Proposition 3 does that. It advances the fundamental principle of economic equity in our state and recognizes collective bargaining's central role in a fair and prosperous Vermont economy. Likewise, H.858 and S.102 make meaningful progress to the same end by expanding the field of those included in the State Employee Labor Relations Act (H.858) and by making workplaces more inclusive and economically equitable (S.102).

Regarding the extension of unionization and bargaining rights to assistant attorneys general (AAGs), I want to make the Committee aware of the many attorneys employed by the State who are *not* AAGs. While I have not exhaustively canvassed state government, I am aware that at least the following State entities employ non-AAG attorneys:

- Public Utility Commission
- Department of Public Service
- Office of Professional Regulation
- Treasurer's Office
- Department of Financial Regulation
- Agency of Natural Resources

- Natural Resources Board
- Green Mountain Care Board
- Agency of Commerce & Community Development
- Cannabis Control Board

I encourage you to consider including these other public servants on the same terms as the AAGs currently contemplated by H.858.

Unions remain the most powerful way to achieve justice in working conditions, fair wages, and economic security during the working years and in retirement. Unions provide job training opportunities to help employees advance their careers and stay competitive in the job market. Strong union membership correlates to economic security and social mobility.

Not only have unions brought economic opportunities to the middle class historically – they continue working to build financial equity into our economy. Research demonstrates that unions increase wealth and narrow racial wealth gaps, increase intergenerational mobility for the children of union parents, and improve access to benefits for women and minorities particularly.

In the Treasurer's Office, we work closely with unions representing our teachers, state employees, and municipal workers. Within the Treasurer's Office itself, VSEA members administer our retirement programs, reunite Vermonters with lost financial property, and ensure the responsible stewardship of the State's cash and short-term investments.

Vermont's unions foster economic stability for employees dedicating their lives to serving our communities. We work closely with these unions to strengthen our public pension system for the next generation of workers. Our state's public pension system provides financial security to public workers and their families, is a valuable recruitment and retention tool for public employers, and supports economic activity in our state. Every dollar invested by Vermont taxpayers in our state pension plans supports nearly \$4 in total economic activity statewide. This is a concrete example of the power of collective bargaining to bring economic empowerment to thousands of middle-class employees.

The <u>U.S. Bureau of Labor Statistics</u> currently indicates that union membership of public workers (32.5%) is more than five times greater than private sector employees (6%). Enshrining the right to collective bargaining in Vermont's constitution will support stronger union membership statewide, supporting Vermonters' economic welfare, and helping create an economy that works for all.

By passing Proposal 3 and the related bills, the Vermont Legislature would prevent future attempts to interfere with Vermont workers' right to unionize and collectively bargain and serve as a valuable backstop to supporting Vermont workers.

Passing these initiatives would reinforce Vermont's dedication to equitable business practices and supporting workers, solidifying our state as a hub for responsible entrepreneurship and strengthening our economy for future generations. I firmly believe that a state with strong employee rights, including broader collective bargaining rights, will see a stronger and fairer economic future.

I proudly support Proposal 3, H.858, and S.102; they further our Office's mission of creating a stronger, more inclusive Vermont economy. I would be more than happy to testify to the committee or answer any questions you might have in writing. Thank you for taking up these important proposals.