



INTERVIEW ALERT

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Baltimore Unions Are Bankrupting the State While Lobbying Congress for More

Fight in Baltimore indicative of nationwide battle between public workers and budget hawks

WASHINGTON, D.C. — The city of Baltimore's police and firefighters' unions filed a lawsuit against the city in federal court on June 3, arguing that city officials did not heed the advice of financial experts and "knowingly underfunded" union pension plans. The obligations owed to the union pension plan threaten to bankrupt the city. Unless dramatic changes are implemented by July 1, the city will owe \$61 million that it cannot pay.

"Blaming Baltimore for the underfunding of lavish union pension plans is a wildly inaccurate claim that ignores reality," said Brian Johnson, Executive Director of the Alliance for Worker Freedom. **"Anyone with a 7th grade education could have looked at these plans ten years ago and told you they would be insolvent in a decade. Instead of addressing the plan years ago, the union chose to ignore the problem. This is not isolated to Baltimore – union pension plans nationwide are underfunded by hundreds of billions of dollars, specifically multi-employer plans."**

Baltimore is not the first city to face this problem. In 2008, Vallejo, California declared bankruptcy largely due to expensive contracts with public workers that it could no longer afford. The suit filed against the city of Baltimore is a microcosm of a nationwide battle between public workers and officials trying to balance budgets. Looking to address this problem, members of Congress have offered legislation that would make the federal government liable for underfunded union pension plans.

"Congress is considering legislation that would put taxpayers on the hook for underfunded pension plans. There is also a bill that will force all states to engage in mandatory bargaining with their police and firefighters' union – as goes Baltimore, the rest of the nation will follow if these laws pass," Johnson added.

National Press & Talk Radio Alert:
To schedule an interview with Brian Johnson, call 202-785-0266
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Alliance for Worker Freedom (AWF) is a special project of Americans for Tax Reform dedicated to the protection of workers rights.
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