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Interview: Comptroller Susan Combs discusses taxes, economy

by William Lutz

One of the biggest changes in state government this year occurred at the office of the Comptroller of Public Accounts, where Gov. Rick Perry's opponent and virtually fulltime critic Carole Keeton Strayhorn left elected office, to be replaced by Susan Combs.

Prior to serving as the state's chief fiscal officer, Combs was Commissioner of Agriculture and served as a state representative.

We caught up with her to discuss the changes she's made at the office, and the state's fiscal condition.

LSR: What are the two or three most significant changes at the Comptroller's office since you took over?

Combs: Well, I'd say one of the most significant was, on the third day I was in the office, I put up on the web every single expenditure in this agency down to the pencil level. It hadn't been done any place else, and it was something I felt was truly important. It's the

taxpayers' money, and they ought to know how we spend it ...

The second most important thing I did was on Jan. 31, we issued a completely revised tax case process, and we'd already, on Jan. 2, signed an MOU [Memorandum of Understanding] with the State Office of Administrative Hearings to move the administrative law judges over there from here.

I truly believe in tax case fairness and transparency, and so that was followed up on Jan. 31 with a more comprehensive document. It was put up on the web that day, and it was really about taxpayer rights, taxpayer fairness, our obligations to meet deadlines, that we were going to also enforce deadlines by the taxpayers so that the case was moved and again the fairness issue of moving the ALJs [Administrative Law Judges] over.

I used to be a prosecutor in Dallas, and I certainly didn't own the judge. The judge was neutral. And I didn't feel that it was neutral

tribunal here to have them [ALJs] located under this office, managed and supervised. So they were moved.

The third thing, I think, is all of this. We set up in January a whole process called innovation at the CPA, iCPA. Everything needs to be simpler, smarter, faster... The reason is the state's growing by leaps and bounds. We expect to have something like nine-and-a-half percent increase in population in five years, which will bring us up to about 25 million people. We collect all the taxes, pay all the bills, write the checks, balance the books, hold the treasury. All of those functions will continue to go up with more people.

And if we can't do things simpler, smarter, faster, we will never keep up. This has launched an entire review of every single process in the agency. And we are about a third of the way through. We expect to be finished some time in late November.

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Abbott files suits to enforce Texas' right to work law

by Christine DeLoma

Labor unions seeking to boost membership in Texas need to follow state law. That's the message Attorney General Greg Abbott sent July 24 after seeking injunctions against two labor unions and a Corpus Christi and El Paso employer for allegedly forcing its employees to join and pay union dues in violation of Texas' right-to-work law.

It's the first of its kind lawsuit in Abbott's administration; targeting unions that may be unlawfully seeking a foothold in Texas.

"Texans have the right to work without having to join a labor union or pay union dues," Abbott said. "The Office of the Attorney General will aggressively enforce Texas' right-to-work laws and will take all necessary measures to protect workers' freedom from compulsory union membership."

Texas is one of 22 states that have right-to-work laws on the books. Simply put, it is illegal to coerce a worker into paying union dues or fees as condition of employment or keeping a job.

Abbott is seeking an injunction against an El Paso security company Deco-Akal, JV and its union, International Union, Security, Police and Fire Professionals of America (SPFPA) Local 725 for allegedly requiring employees to join the union and pay dues as a condition of employment. In at least one instance, an employee was suspended without pay for over a year for refusing to pay union dues.

Last month, a federal administrative law judge for the National Labor Relations Board ruled against Deco-Akal and SPFPA and ordered the company to reinstate the employee.

The union had argued that their work site - a U.S. Immigration and Customs Enforcement facility - had fallen exclusively within federal jurisdiction and therefore the state's right-to-work law did not apply. Judge Gregory Meyerson ruled that the federal government did not have "exclusive jurisdiction" on the property.

After Meyerson's ruling cleared up the **See Labor/5**

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federal-state question, Abbott's office began its own investigation.

"It is a peculiar situation in that we've haven't seen these types of cases before, but when we got an indication from the federal administrative law judge, that's when we began our investigation immediately and took action as soon as we could..." said **Thomas Kelley**, Abbott's spokesman. "The administrative law judge's finding was clearly a way for us to get our foot in the door, and that has not been finally resolved because that has been appealed to Washington, D.C., to the full National Labor Relations Board for a final decision. But we filed the suit in spite of that because we believe we have jurisdiction, and we believe these allegations about the coercion are true."

The Attorney General's office is seeking restitution and civil penalties of up to \$1,000 each for any and all individuals who felt they were coerced into joining and paying union dues.

Deco-Akal and SPFPA Local 725 did not respond to press inquiries as of press time.

Abbott's office is also suing a Corpus Christi company, Asset Protection and Security Services, L.P. and SPFPA Local 727 for allegedly requiring employees to join the union and coercing at least one employee into paying dues

Around Texas/from 4

Van de Putte statement on 2008 plans

Sen. **Leticia Van de Putte** (D-San Antonio) and her campaign issued the following statement:

"Comments quoted in the San Antonio Express News [July 19, 2007, "Van de Putte, others address rumors about election," by Greg Jefferson] have prompted a few of my constituents to call and ask me to clarify my future plans.

"Let me be clear: I will be a Democratic candidate for re-election as the Texas Senator in District 26 in 2008, and I intend to formalize that announcement very soon. I'm proud that my Democratic Senate colleagues have re-elected me to lead the Texas Senate Democratic Caucus, and equally proud that Democratic National Committee Chairman Howard Dean has nominated me to co-chair the 2008 Democratic National Convention. But I most look forward to asking voters in the 26th Senatorial district for the privilege of allowing me to continue to represent them in Austin in the Texas Senate. Others who continue to discuss running for Senate District 26 should be clear; if they run in that race, they'll be running against me." [E]

or risk firing.

Company president **Scott Mandel** said he signed a collective bargaining agreement with SPFPA two years ago because he was led to believe that the worksite, as in the El Paso case, was a federal enclave, under exclusive federal jurisdiction.

"We believe in Texas's right to work law," Mandel said. "We felt that they [the union] gave us ample documentation to justify that it was a federal enclave. If it is a federal enclave, then the employees have no choice, they have to be part of the union, and so that's what occurred in this case.

"Now we told the union at the same time at the table that we didn't believe that they were a hundred percent correct, and so we put a clause in the collective bargaining agreement saying that if it's not such we want to be indemnified for any and all actions that may be brought to a court, because we knew that this was going to go to a court at some point, because you can't tell Texas employers and employees that they have to join an union knowing that it's a right-to-work state. And so we knew at some point that it was going to go to court, and that's exactly what's happened."

Mandel, however, contends that Asset never fired any employee nor took action in any way.

Nonetheless, the National Right to Work Legal Defense Foundation, an advocacy group critical of union abuses, believes the law was broken because the collective bargaining agreements violated Texas' right-to-work statute. The organization represented the two security guards at the El Paso and Corpus Christi companies before the National Labor Relations Board.

"It's a big end run... basically their position seems to be wherever there's a federal facility we're going to try to pretend that the right-to-work law doesn't apply," said **Stefan Gleason**, the organization's vice president. "There's a lot of federal facilities in Texas, particularly immigration-related ones. Clearly this union in Texas is doing this, but it's happening in right-to-work states all over the place."

Last year, the organization represented five non-union security officers in a lawsuit against a union that tried to circumvent Florida's right-to-work law. The union unsuccessfully argued the federal courthouse where the security officers worked was subject to the federal enclave law.

Declining union membership

According to the Bureau of Labor Statis-

tics, union membership has declined nationally. In 2006, 12 percent of workers were union members compared to 20.1 percent in 1983, the first year for which comparable statistics are available.

Texas ranks fifth in the nation among states with the lowest union membership rates (4.9 percent). North and South Carolina posted the lowest rates at 3.3 percent. States with strong union membership include: Hawaii (24.7 percent), New York (24.4 percent), Alaska (22.2 percent) and New Jersey (20.1 percent)

"Unions don't have a big foothold in the state of Texas because it's a right-to-work state," said Mandel, "and they have to find a way to keep membership alive, and this is one way to do it and to be creative, and I can see why the union did this, mandating all the employees at the one site to be part of the union, and so it's a way to gain more membership. This is new territory that I'm aware of. I don't think anyone's done this before."

While some may see this tactic as being "creative," Gleason believes that it smells of fraud. It's all the more reason for Attorney General Abbott to take an active role in enforcing the state's right-to-work law, he said.

"If the Attorney General gets aggressive here, he has a lot of investigatory tools that he could use to really get to the root of this, and we hope that he'll do that," Gleason said. "He should subpoena every collective bargaining agreement that that union has in the state of Texas..."

"There could be thousands of employees in Texas alone, not just at those two facilities who are basically being denied the protections of the right to work law... it's a start the Attorney General has finally gotten moving, and there's a lot more to do." [E]

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