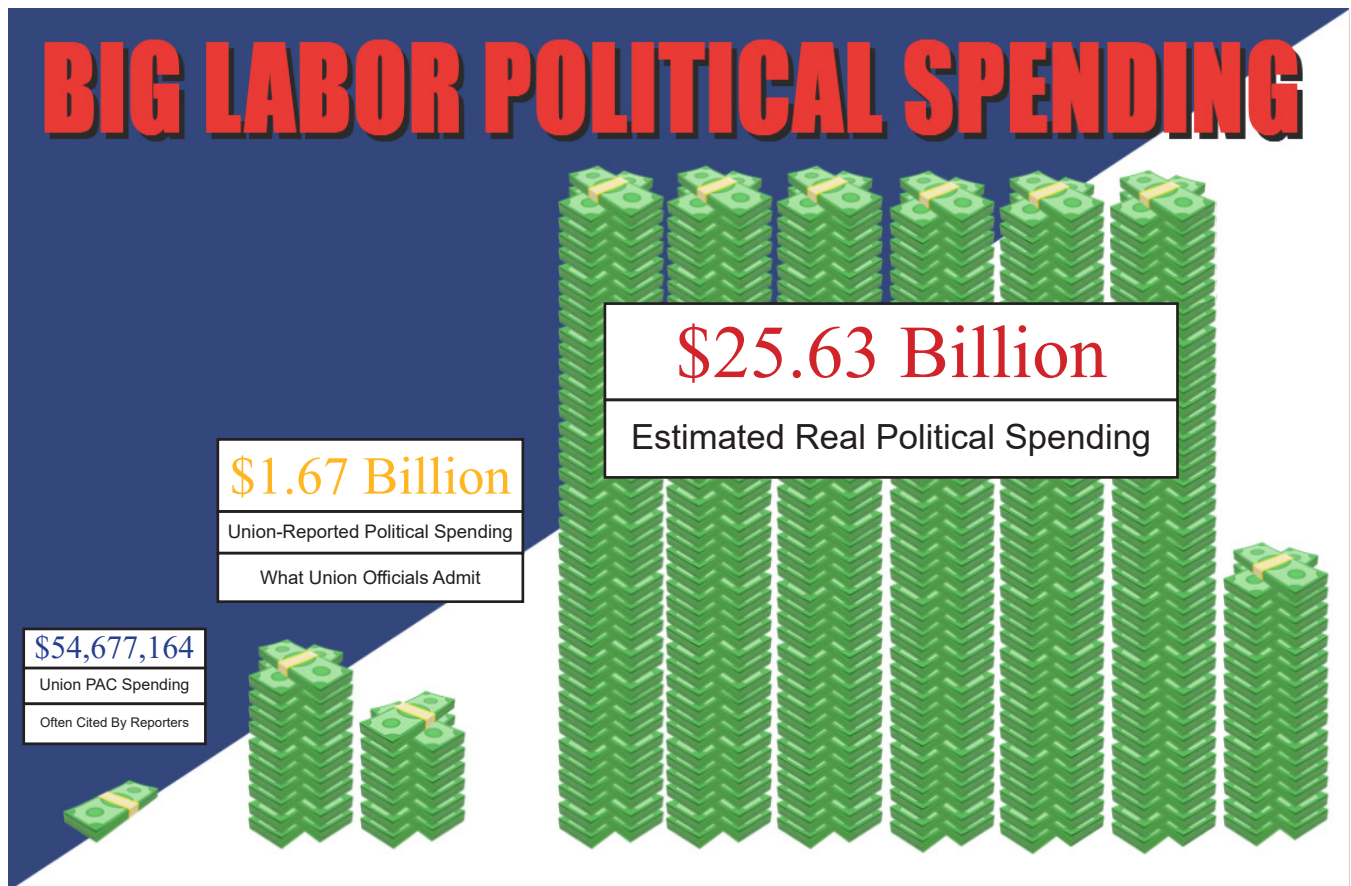


Union Bosses Admit They Spent \$1.67 Billion on Politics in the 2022 Election Cycle. The Real Number is Likely Over \$25 Billion.

Union-reported political spending from union dues-funded treasuries was up over 12% since last cycle, even in a midterm election year



August 2023 - Just six percent of American workers in the private sector belong to a labor union, yet unions are a dominant political force. By their own admission, union officials spent over \$1.6 billion on politics during the 2021-2022 election cycle.

That's nearly \$200 million more than they reported spending in the previous cycle, and it's far more than what's typically reported by media outlets that only consider spending by union-controlled political action committees (PACs). But a new analysis by the National Institute for Labor Relations Research (NILRR) shows that even public filings don't tell the whole story.

The study shows that the vast majority of what unions spend to influence elections and policymaking is not reported to the federal government as political activities. Some expenditures are improperly labeled as “grants” or “general overhead.” Others are tucked away in the budgets of smaller union affiliates that aren’t required to file full financial disclosures.

However, the bulk of unreported political power is wielded by government union officials. They’re armed with the monopoly power to negotiate salaries, pensions, and hiring practices for entire swaths of federal, state, and local government workers. This makes monopoly bargaining in the public sector, by its very nature, political.

Public sector unions exist solely to change government employment policies. They have legal leverage over the policy process that other political groups do not have. Consequently, the money spent staffing, organizing, and promoting government sector unions has more of a direct impact on politics than whatever other groups spend to persuade voters.

When we take into account all the inherently political money spent by public sector unions, Big Labor’s true total political spending for the 2021-2022 political cycle was over \$25 billion.

The PAC Distraction

Union-controlled PACs spent \$54,677,164 in the 2022 election cycle, according to political spending watchdog OpenSecrets.

Media reports often include only PAC spending, or other relatively small buckets of union spending that get reported to the Federal Election Commission. But most large unions are required to file forms with the Department of Labor that disclose exactly how much of their spending from forced-dues-funded general treasury funds was political.

What Union Officials Admit Spending on Politics

Private sector unions and many public sector unions that bring in more than \$250,000 each year have to file the Department of Labor’s form LM-2, which breaks down annual expenditures into different categories. The information is provided by labor union officers who must file union disclosure reports and attest to their veracity. Under the Labor-Management Reporting and Disclosure Act of 1959, as amended, officers are subject to criminal penalties for willful failure to file a required report and for false reporting.

NILRR staff used totals from SCHEDULE 16–POLITICAL ACTIVITIES AND LOBBYING, found in the LM-2 reports for the filing years 2021 and 2022. These were accessed on the U.S. Department of Labor’s Office of Labor-Management Standards website: <https://www.dol.gov/agencies/olms> (Downloaded 5/18/2023).

In 2021 and 2022, unions reported spending \$1,616,575,642 on politics and lobbying on the LM-2, a 12% increase from the reported total of \$1.44 billion in 2019 and 2020.

A significant source of funding for reported Schedule 16 activities are union dues and fees collected from men and women who would be fired for refusing to pay. Adding back the PAC spending that isn't included on the LM-2, the total reported political spending by unions is nearly \$1.7 billion.

	2021	2022	TOTAL
LM-2 "Political" Disbursements	745,832,547	870,743,095	\$1,616,575,642
PAC Spending			\$54,677,164
TOTAL:			\$1,671,252,806

What Big Labor Officials Conceal

Schedule 16 activities are often underreported because union officials put clearly political expenses in other categories, including "Representational Activities," "Contributions, Gifts, and Grants," "General Overhead," and "Union Administration."

Here are just a few examples of LM-2 disclosures that should have been reported as political spending, but were not:

- The NEA gave a total of **\$12,675,000** in 2021 and 2022 to the State Engagement Fund, a left-of-center 501(c)(4) advocacy organization.
- The AFL-CIO gave a total of **\$8,446,314** to Working America, a union-affiliated advocacy group that "makes sure that the priorities of working people, their families and communities are heard from our state houses to the White House, from our city councils and school boards to the halls of Congress."
- The United Brotherhood of Carpenters and Joiners of America gave **\$8,000,000** to the Strategic Victory Fund, which InfluenceWatch.org describes as a fund "created to support Democrat causes on state-level issues in battleground states."

The above disbursements are clearly political, but they were not included in Schedule 16 spending. We quickly identified \$52,240,742 of expenses that likely belong in Schedule 16. The list is hardly exhaustive -- unions reported more than \$50 billion of expenses in 2021 and 2022, so it's difficult to know which were correctly classified. The list of likely misclassifications is included following this report.

Unions with annual incomes lower than \$250,000 file alternative reports including the LM-3 and LM-4. The alternative reports lack a distinct category for political spending, which could provide cover for union officials to spend freely on politics without any meaningful transparency.

Unions have an incentive to underreport their political expenses because the Supreme Court's decision in *CWA v. Beck* gives employees the right to withhold the portion of their dues that funds union politics. The political portion of dues is determined by union officials, and the numbers they provide are rarely challenged, so union officials stand to increase their revenues by overstating the portion of their spending that is "non-political."

“Tell me how I can possibly separate NEA’s collective bargaining activities from politics -- you just can’t. It’s all politics.”

— National Education Association General Counsel Bob Chanin

(Quoted in *Education Week*, November 1, 2000)

Estimating Big Labor’s True Total Political Spending

The U.S. Supreme Court affirmed that public sector monopoly bargaining and politics are inseparable and ruled that government workers cannot be forced to pay union dues as a job condition in its 2018 *Janus v. AFSCME* decision. The Court concluded that such coercion amounts to compelled political speech.

Writing for the majority, Justice Alito argued that union speech directed at public employers “is overwhelmingly of substantial public concern” because “[i]n addition to affecting how public money is spent, union speech in collective bargaining addresses many other important matters...unions express views on a wide range of subjects -- education, child welfare, healthcare, and minority rights, to name a few.”

Union officials themselves also admit that everything government unions do is inherently political. For example, former National Education Association General Counsel Robert Chanin told *Education Week*: “So you tell me how I can possibly separate NEA’s collective bargaining efforts from politics -- you just can’t. It’s all politics.”

There is no requirement on the LM-2 to list which expenses are related to public sector union bargaining. In fact, public sector unions aren’t required to file LM-2s at all. However, millions of government employees are represented by large unions that do file form LM-2.

There are 7.1 million private sector and 7.2 million public sector union members in America, per the Bureau of Labor Statistics. That means that of the \$50 billion disbursed by unions in 2021 and 2022, roughly half (49.6%) of that was spent to facilitate inherently political government sector monopoly bargaining.

Adding back \$814,754,123, the 50.4% of LM-2 political disbursements assumed to come from the private sector, the estimated true political influence of unions is well over \$25 billion.

2021 Disbursements	\$24,243,699,340
2022 Disbursements	\$25,786,578,931
Total 2021-2022 Disbursements	\$50,030,278,271

Estimated Public Sector Share (49.6%)	\$24,815,018,022
Private Sector Schedule 16	\$814,754,123
Estimated Total Political Influence	\$25,629,772,145

This is only an estimate for a number of reasons. It assumes that public and private sector union spending is the same, but if one sector's unions spend more per employee, the estimate could be off in either direction.

There are an estimated 139 unions that do not need to file LM-2s because they solely represent public sector employees. Most of these are smaller affiliates of larger unions. The Fraternal Order of Police, United Postal Workers, American Federation of Government Employees, and many other unions representing millions of government workers *do* file LM-2s because some of their employees are in the private sector. Still, the LM-2 data are not comprehensive.

It is nearly impossible to produce perfectly accurate figures from the LM-2 because subsidiary unions file separate forms from the larger national unions they fall under, and transactions between these unions could be listed multiple times in the data. This only worsens the problems of inconsistent and potentially inaccurate reporting mentioned above.

The LM-2 does not lend itself to a precise analysis of union boss spending, but it does give a sense of its scale. When sympathetic media outlets report unions' political influence in the tens or even hundreds of millions of dollars, that is a dramatic underrepresentation.

Union bosses control tens of billions of dollars in political machinery, and millions of workers across the country are forced to pay dues that go in part to keeping that machinery running. As this report demonstrates, public reports of "union political spending" that only count spending by union controlled PACs and other entities that file reports with the FEC significantly underestimate the real total, arguably by as much as 500 fold.

Misclassified Political Expenditures:

Report Year	Union Name	Recipient	Amount Received	LM-2 Category
2022 (LM2)	CARPENTERS IND	STRATEGIC VICTORY FUND	\$8,000,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASIN IND	STATE ENGAGEMENT FUND	\$6,675,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASIN IND	STATE ENGAGEMENT FUND	\$6,000,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	AFL-CIO	WORKING AMERICA	\$4,285,314	REPRESENTATIONAL ACTIVITIES
2021 (LM2)	AFL-CIO	WORKING AMERICA	\$4,161,000	REPRESENTATIONAL ACTIVITIES
2022 (LM2)	NATIONAL EDUCATION ASIN IND	EDUCATION INTERNATIONAL	\$3,167,238	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	SERVICE EMPLOYEES	The Fairness Project	\$2,750,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	ELECTRICAL WORKERS IBEW AFL-CIO	IBEW PAC EDUCATION FUND	\$2,600,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASIN IND	FOR OUR FUTURE ACTION FUND	\$2,500,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASIN IND	STRATEGIC VICTORY FUND	\$1,850,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	LABORERS	GROWING ECONOMIC OPPORTUNITIES	\$1,531,690	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	CARPENTERS IND	PROGRESSIVE STATE LEADERS COMMITTEE	\$1,000,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	CARPENTERS IND	VOTE YES FOR WORKERS RIGHTS	\$1,000,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	CARPENTERS IND	WISCONSIN OPPORTUNITY COALITION, INC.	\$1,000,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASIN IND	FUTURE FORWARD USA ACTION	\$1,000,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	CARPENTERS IND	Strategic Victory Fund	\$500,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASIN IND	BUILDING BACK TOGETHER	\$500,000	CONTRIBUTIONS, GIFTS AND GRANTS

2022 (LM2)	SERVICE EMPLOYEES	PA Alliance Action	\$475,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASN IND	STRATEGIC VICTORY FUND	\$450,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	STATE POWER FUND	\$365,000	UNION ADMINISTRATION
2021 (LM2)	NATIONAL EDUCATION ASN IND	SIXTEEN THIRTY FUND	\$350,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	A BETTER WISCONSIN TOGETHER, INC.	\$300,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASN IND	STATE POWER FUND	\$285,500	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	VIRGINIA NEW MAJORITY	\$250,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	COMMITTEE ON STATES	\$200,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	STATE COUNTY AND MUNI EMPLS AFL-CIO	NAACP	\$200,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	PUBLIC EDUCATION DEFENSE FUND, INC.	\$200,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASN IND	PARENTS TOGETHER ACTION	\$150,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	STATE COUNTY AND MUNI EMPLS AFL-CIO	EPI Policy Center	\$150,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	NATIONAL EDUCATION ASN IND	PROGRESSIVE CAUCUS ACTION FUND	\$150,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	STATE COUNTY AND MUNI EMPLS AFL-CIO	National Public Pension Coalition	\$135,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	NATIONAL PUBLIC PENSION COALITION	\$135,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	AMERICA WORKS USA	\$125,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	ENGINEERS, OPERATING, AFL-CIO	Strategic Victory Fund	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS

2022 (LM2)	NATIONAL EDUCATION ASN IND	MARCH FOR OUR LIVES ACTION FUND	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	AUTO WORKERS AFL-CIO	ECONOMIC POLICY INSTITUTE	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	TEAMSTERS	ECONOMIC POLICY INSTITUTE	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	STATE COUNTY AND MUNI EMPLS AFL-CIO	Center For American Progress	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
2022 (LM2)	STATE COUNTY AND MUNI EMPLS AFL-CIO	Citizens For Tax Justice	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	PARENTS TOGETHER ACTION	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
2021 (LM2)	NATIONAL EDUCATION ASN IND	PROGRESS IOWA	\$100,000	CONTRIBUTIONS, GIFTS AND GRANTS
TOTAL			\$53,240,742	



Nothing here is to be construed as an attempt to aid or hinder the passage of any bill before Congress or any state legislature.

To obtain more detailed information about how any or all of the above data were derived, contact Don Loos at the National Institute for Labor Relations Research (NILRR.org): 703-321-9606.