



Education

The Assembly could save the state's economy, but will it?

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Monday, when the [General Assembly](#) returns from its spring break, the legislators will be faced with a stark choice: Will they do everything they can to nourish Rhode Island's anorexic economy, for the benefit of all state residents?

Or will they protect themselves as a wholly owned and operated subsidiary of public-sector union leadership?

Remarkably, their own actions have outlined this choice for all the world to see.

Before the break, the House passed a \$220-million supplemental budget grounded in one set of terrible ideas. They decided to paper over the over-spending that the state has built into its budget over the years, by refinancing our enormous pension liability, spreading it out over more years. This is like converting a 15-year mortgage into a 30-year one, lowering the monthly costs, but nearly doubling what you'll eventually pay for the house in interest. In real dollars, the refinance would add \$2.2 billion to the existing liability.

Credit agencies have warned they will lower Rhode Island's credit rating which, in turn, makes all state borrowing far more expensive.

In a stunning break with tradition, the Senate rejected the House's bad ideas, but came up with a set of its own. Their solution was to drain the rainy-day fund for a one-time plug. This is like spending the family's only savings to keep the McMansion, in-ground pool and resort vacation.

Do all legislators plan to retire elsewhere so they aren't stuck with the bills they're laying on the rest of us? Surely very few have actual children in public schools. Or how could they do this?

In any case, since the House and Senate disagreed, no supplemental budget passed. They could still redeem themselves. They could reassure us that they work for the whole state, the school children and the future.

Or admit they work only for the unions, and that the rest of us are toast.

Please know that I'm talking about union leadership here. The legislators are not acting on behalf of school teachers nourishing a love of learning, nor front-line police and firemen doing the gritty work of public safety,

nor the clerks at the DMV counter. I'm talking about the collective of union leaders and their ability to wield power. More and more I hear from rank-and-file teachers, for example, who deplore the choices of their union leadership because it a) makes them look bad, and b) appears to be running the state into the ground.

Legislators could, God willing, put the state on an economic path that would ease the pain of the miserable budget problems relentlessly bearing down on our immediate future.

For example, one great idea made a brief legislative appearance. The House proposed that all municipal employees pay 15 percent toward their own health care. I realize that some teachers already contribute 20 percent and the private sector pays more like 25 percent, when they're lucky enough to have it. Still, it was a fabulous idea.

Union leaders thundered their opposition. I don't think they really care what percentage anyone pays, as long as labor and management are fighting over it at bargaining tables in 39 cities and towns and 36 school districts, each with umpteen labor contracts to negotiate. The more bitter the fight, the more the unions seem to have justified their existence.

And this is the point: labor peace must be bought. And nothing is excluded from negotiations. Everything is subject to bargaining rights.

To prevail in negotiation, weak-kneed management has often won what it wanted, extra minutes of instruction or commitments to professional development, by giving away expensive perks such as more generous sick leave. To hide or delay paying for the give-away, perks were often additions to retirement benefits.

So, for example, in Newport just under \$1,500 per kid goes to paying for extra retirement benefits on top of what are arguably the most generous pensions in the United States. That's a lot of money that could have been getting to the kids all this time.

But the union leadership wants any and every such glitch renegotiated at the bargaining table. They are fighting for the right to fight. But no other state allows everything to be on the table the way Rhode Island does. No other state funds its students willy-nilly, according to mistakes and backroom deals made years ago, instead of using a funding formula. Nothing, not even a rational provision to contain health-care costs, can be settled at the state level, because it might allow peace at the local level.

The unions' response to the House's health-care proposal was to threaten to have them voted out of office. The feet-of-clay legislators removed the provision by nightfall.

Really? The General Assembly is not going to work on liberating money to spare sports, librarians, tutors, field trips? Or to repair our sadly aging schools and infrastructure? Or to invest in the state's economy so that one day Rhode Island could actually afford to be especially generous to our hard-working, public-sector employees?

Our state officials need to remember the meaning of "public" in their own oath to provide honorable public service.

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