

New bill would help contain runaway spending in Montgomery County

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PUBLIC WORKERS in Montgomery County have enjoyed a spectacular run over the last decade, thanks to munificent politicians, powerful unions and a badly tilted playing field that favors workers over management. Many workers who were on the county's payroll in 2000 have seen their salaries double, in addition to receiving ever-improving benefits. Since salaries and benefits amount to 80 percent of county spending - and almost 90 percent of school spending - the fruit of the county's profligacy is a structural deficit that has proved impervious to repeated tax increases.

A bill before the County Council would provide officials with a lever to restore some balance. It was introduced by the new council chair, Valerie Ervin, a product of years in the labor movement. That Ms. Ervin would sponsor legislation to trim the power of public-worker unions is a hopeful sign - and a telling one of how tilted the field has become.

In the event that an impasse in contract negotiations leads to arbitration, Ms. Ervin's bill would require the arbitrator to give priority consideration to the county's ability to pay without resorting to tax increases. This is common sense. Astonishingly, though, affordability has been practically a non-factor in arbitrators' rulings, the vast majority of which - nine of 11 since 1988 - have favored unions' demands. Arbitrators have assumed that the county will comply by raising taxes, and the county has blithely obliged again and again.

The result is that Montgomery has the fattest and least affordable contracts in the region and is now cutting services to pay for them. Spending for libraries, for instance, by next year will have been slashed by almost a third in two years. Other vital functions will also suffer as County Executive Isiah Leggett tries to close about \$350 million in deficits this year and next in an already lean \$4.3 billion budget that takes effect this summer.

Mr. Leggett has been silent on the legislation. But, mindful of the county's string of losses, he has previously acknowledged his reluctance to risk arbitration. The most important effect of the legislation, if enacted, would be to stiffen Mr. Leggett's spine in negotiations, including those underway with unions representing police, firefighters and thousands of other county workers.

One way to measure the likely impact is by the unions' dyspepsia as the bill moves toward a final vote next week. Gino Renne, who leads the union representing 6,000 general county workers, publicly abused county lawmakers who are backing the bill. He singled out Hans Riemer, a Democrat who took office this week, telling him, "You're gonna be a one-termer, pal."

Some council members, perhaps heeding such threats, say they may oppose the legislation. They argue that the council is not bound by arbitrators' rulings and can choose to deny funding for excessive contracts. That's technically true; in the real world,

however, the council has done so only once in recent memory. Why pretend that the deck, as now arranged, is not badly stacked against the county and its taxpayers?

Montgomery's workers do an excellent job providing services, and they deserve fair reward. But current compensation levels are not sustainable. A new report by the county's Office of Legislative Oversight outlines a menu of possible options, including layoffs, cuts in salaries and benefits and slowing wage growth.

Unfortunately, some combination of these painful choices will likely be necessary as a corrective to the county's past failure to say no. The legislation before the council is not a cure-all; the council will face far more difficult steps in the months ahead if it is to contain personnel costs. Still, Ms. Ervin's bill could play a key role in setting the stage for those tough decisions. Voters should take note of her shouldering this responsibility and watch which members have the courage to stand with her.