



Monday, April 4, 2011

## **Ohio union curbs savings pegged at \$1.27 billion**

By Karen Pierog and Dan Grebler

<http://www.reuters.com/article/2011/04/04/ohio-unions-savings-idUSN0428015520110404>

(Reuters) - A new law curbing collective bargaining rights of government workers in Ohio could save the state and local governments more than \$1.27 billion a year, according to an analysis of the law released on Monday.

The Ohio Department of Administrative Services said it examined measures in the law limiting government health insurance payments to 85 percent of total premium costs, as well as the elimination of step pay increases and pay levels for longer-serving employees once current contracts expire.

The pay eliminations would have saved the state \$191.3 million using fiscal 2010 data, while all three measures would save at least \$1.087 billion for cities, counties and school districts, the department reported.

The controversial bill was passed by the Republican-controlled legislature and signed into law by Republican Governor John Kasich last week.

Its passage marked another success for Republicans pursuing measures in several U.S. states to limit the rights of public-sector unions.

Unions are a key constituency of the Democratic Party and Ohio Democrats are pushing to put a referendum on the law on the November state-wide ballot in an effort to overturn it.

Like most other states, Ohio's revenue collections have sagged due to the economic recession.

###