THE BENEFITS OF UNIONS FOR COLORADO

Colorado Fiscal Institute

Strong Unions Mean Strong Economic Outcomes for All Coloradans

COLORADO IS NOT A PRO-WORKER STATE

Unions improve workers' lives by ensuring they have the ability to negotiate better wages and benefits, and safer working conditions. However, Colorado is among states that have historically adopted policies intended to limit private sector workers' freedoms to form unions, and it's hurting our economy.

COLORADO'S LOW UNION DENSITY

In 2023, only 6.9% of workers in Colorado were unionized, compared to 10% of all workers nationally.



UNIONS MEAN HIGHER WAGES AND ECONOMIC STABILITY FOR ALL

On average, workers covered by a union contract earn 10.2% more than non-union workers with the same job, education, and experience. Unions also boost wages across the board—wages in states with anti-worker laws are 3.1% lower than in states without these laws.



UNIONS HELP CLOSE RACIAL WEALTH GAPS

Households affiliated with unions have a higher likelihood of homeownership: working-class union households are 13% more likely to own a home, while non-white Hispanic households see a 17% increase compared to their non-union counterparts.



UNIONS REDUCE ECONOMIC INEQUALITY

From 1973 to 2007, income inequality increased by 40%, with the decline of private sector unions contributing 20% to 33% of that increase.



UNIONS BOOST DEMOCRATIC OUTCOMES

Rebuilding unions boosts democratic participation, as union members are 3-5% more likely to vote.

COLORADO LABOR LAW IS OUTDATED AND ANTIDEMOCRATIC

Colorado is the only state to require two worker votes due to our 1943 labor law. The first National Labor Relations Board (NLRB) vote decides if they want a union to represent them. The second vote determines if all workers who benefit from that union must contribute to its costs. If the union doesn't win this second vote, called the union security agreement, it loses leverage over employers because it can't collect fees from all the workers who benefit from union representation.

In contrast to other states, which only need a majority of votes in the National Labor Relations Board (NLRB) election for union approval, Colorado requires a supermajority, making it harder for workers to form unions.

RESEARCH SHOWS ANTI-WORKER LAWS HARM STATE ECONOMIES

Laws that limit worker freedom negatively impact state economies.

Research indicates that these regulations lead to decreased job quality and lower wages for all employees, without providing any significant benefits in terms of employment growth for local residents.

MODERNIZING COLORADO'S LABOR LAW WOULD BOOST INCOME FOR ALL WORKING FAMILIES

The Economic Policy Institute's analysis revealed that wages in states that oppose unions are 3.1% lower than those in states with union protections.

In light of this, the Colorado Fiscal Institute projects that updating Colorado's laws could increase wages by more than \$1.11 per hour, equating to approximately \$44.50 weekly. This change would mean an extra \$2,321.84 each year for the 2,469,300 private sector employees in Colorado, amounting to a total of \$5.7 billion annually for working families across the state.

MODERNIZING CO LABOR LAW COULD MEAN

5.7 MILLION/YEAR FOR WORKING FAMILIES

Private sector employees in Colorado earn over \$1 extra per hour, amounting to nearly \$2,500 more annually.

Visit coloradofiscal.org to learn more.

THE ROAD TO WORKER POWER

How Colorado's Law Restricts Worker's Collective Bargaining Rights

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STEP 1: THE FIRST VOTE

Enacted in 1943, Colorado's legislation states that the first vote will decide whether workers can establish a union to represent all employees in the workplace. A majority vote is necessary for the union to gain recognition in this initial election.

However, the situation is more complex. Colorado also has intricate anti-union regulations that limit workers' bargaining rights and weaken the influence of newly established unions.

WHAT IS COLORADO'S CURRENT LAW?

One significant and unique anti-union provision of Colorado's law remains in effect today: workers must hold not one but two union elections in order to win full collective bargaining rights.

STEP 2: THE ROAD BLOCK

Colorado requires a second vote to determine whether unions can negotiate with their employer over union security, so everyone benefiting from union representation should contribute to the costs.

To win this second election, a majority of all eligible employees must vote in favor, or a supermajority of actual voters, whichever is higher. This sets an extremely high bar compared to the first election's simple majority.

COLORADO'S SECOND-ELECTION REQUIREMENT IS A SIGNIFICANT BARRIER TO ORGANIZING, SUPPRESSING UNION DENSITY

Colorado's law not only hurts workers' chances to form or sustain unions, but harms the economy as a whole. Without winning the crucial second union security election, unions struggle to collect fees from all workers who benefit from their representation, limiting their leverage with employers. Historically, the ability to bargain over union security has proven critical to establishing the stability and longevity of unions in the context of highly unequal workplace power relationships. As a result, Colorado's union density is only 6.9%, well below the national average and similar to that of many states with anti-union laws.

A recent analysis of union security election data shows that the high bar for winning these elections may discourage unions from attempting to initiate them. From July 1977 to July 2024, of the 553 unions who initiated these elections, 376 (68%) won the election by a supermajority and (re)gained the freedom to bargain over union security. In another 126 of these second elections, majorities of workers voted yes, but their freedom to negotiate over union security was still denied because of the law's undemocratic supermajority requirement.