WHERE DO YOUR UNION DUES GO? A LOOK AT AFSCME SPENDING IN 2023

AMERICANS FOR FAIR TREATMENT

The American Federation of State, County, and Municipal Employees (AFSCME) represents over 1.2 million workers throughout the country. Over the past 5 years, AFSCME has lost over 78,000 members. As a labor union that represents both public and private sector employees, AFSCME files a Form LM-2 financial disclosure with the United States Department of Labor. An examination of the union's finances can help explain why the union is losing so many members.

Unions collect most of their money from membership dues. In 2023, membership dues accounted for over 86 percent of AFSCME's revenue, with the national union charging \$251.40 per member. As such, representing the members that pay these dues should be the top priority for any given union, but this is not the case for AFSCME. **The organization's latest filing, which covers January 1, 2023 through December 31, 2023, reveals that just 23 percent of AFSCME's spending went toward representational activities.** This begs the question: if AFSCME is not spending on its membership, how is it spending their dues?

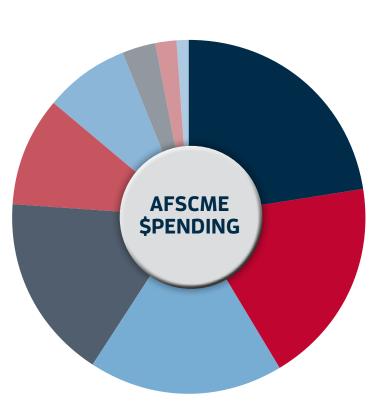
Over half (57 percent) of AFSCME's expenditures went toward just operating the union. Operating costs include general overhead expenses, union administration costs, purchasing stocks and bonds, paying for AFSCME employee benefits, and paying per capita tax to affiliated unions. Employee and executive salaries are also part of operating costs, with AFSCME executives earning significant compensation. AFSCME's President, Lee Saunders, earned \$398,105 in 2023, while Secretary-Treasurer Elissa McBride earned \$326,048. Together, these two earned \$724,153, the equivalent of 2,880 members' annual dues.



AFSCME has lost 78,000 members in the last 5 years



Two AFSCME executives earned the equivalent of 2,880 members dues



AFSCME SPENDING 2023

23% REPRESENTATIONAL ACTIVITIES
19% GENERAL OVERHEAD
17% POLITICAL ACTIVITIES AND LOBBYING
17% BENEFITS
10% PER CAPITA TAX
8% UNION ADMINISTRATION
3% DIRECT TAXES
2% CONTRIBUTIONS, GIFTS, GRANTS
1% PURCHASE OF INVESTMENTS AND FIXED ASSETS

AFSCME Dues Pay for Politics

Outside of operating costs, AFSCME spent membership dues on political activities and lobbying. In 2023, \$27.8 million in membership dues went to supporting the union's political activity, approximately 17 percent of all expenditures. Most of this spending went toward left-wing causes. AFSCME spent an additional \$3.1 million on contributions, gifts, and grants. Though this spending category encompasses charitable giving, many unions give money to political non-profit organizations. AFSCME is no different, **giving hundreds of thousands of dollars under this category to political organizations like Center for American Progress and the Progressive Caucus Action Fund.** According to federal law, member dues can be used for a variety of political activities, such as issue advocacy, getout-the-vote drives, election mailers, lobbying, and public marketing campaigns. The *Janus v. AFSCME* Supreme Court decision relieves nonmembers from the obligation to pay any dues or fees to the union as a condition of public employment. However, for workers who remain AFSCME members, *Janus* changes nothing about how union dues are spent: they are still routinely used for political purposes. During the latest reporting period, AFSCME gave:

\$8.5M	to AFSCME employees and officers as compensation for their political activities and lobbying efforts.
\$2.2M	to For Our Future Action, which seeks to build a progressive infrastructure to help Democrats win elections throughout the country.
\$1.5M	to affiliated unions in support of their political activity and lobbying efforts.
\$1.2M	to candidates for state, local, and federal political office, primarily in support of Democrats.
\$950K	to various consultants for their assistance with union political activities and lobbying efforts.
\$900K	for custom clothing related to AFSCME's political objectives.
\$794K	to various hotels for lodging while traveling for union political activities.
\$577K	to temporary staffing agencies for staffing costs related to AFSCME's political activity.
\$506K	to several state and local Democratic parties.
\$500K	to the Democratic Legislative Campaign Committee, which fights to elect Democrats to state-level public office.

\$470K to A Better Wisconsin Together, a left-wing research and communications firm based in Wisconsin that is a project of national liberal advocacy group ProgressNow. \$442K for advertising related to AFSCME's political activity and lobbying efforts. \$375K to AmericaVotes, a coordination hub of the progressive community that motivates activists and voters to win elections and change election law. \$350K to Pennsylvanians for Judicial Fairness, an organization which supported Democrat Daniel McCaffery's win to the Pennsylvania Supreme Court.

\$300K to the Senate Majority PAC, an organization dedicated to building and maintaining a Democratic majority in the United States Senate.



to the House Majority PAC, an organization dedicated to building and maintaining a Democratic majority in the United States House of Representatives.

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to the Democratic Governors' Association, a political organization dedicated to electing and re-electing Democratic governors.

to ProgressNow, an advocacy organization that promotes progressive ideas.

AFSCME FINANCIAL HEALTH

In all, AFSCME spent \$159 million in 2023 and brought in \$207 million. Despite significant membership losses over the past 5 years, the union holds a strong financial position with over \$310 million in net assets. Since 2021, AFSCME's net financial position has improved by \$63.8 million. AFSCME has been able to sustain a strong financial position despite membership losses due to increased membership dues. Since the 2018 reporting period, AFSCME's annual membership dues have increased by over \$30. If AFSCME continues to raise dues while failing to spend to represent its members, the union may continue to see steep membership drops.

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