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Rokita Introduces RAISE Act to Allow Performance-Based Pay for Individual Employees

(Washington, D.C.) – U.S. Rep. Todd Rokita (IN-4) yesterday introduced H.R. 4385, the Rewarding Achievement and Incentivizing Successful Employees (RAISE) Act, which would amend the National Labor Relations Act to reform the collective bargaining process and allow employers to give merit-based bonuses, raises, or other increases to an individual employee above the level set by the employee’s union contract.

“More than eight million Americans are now prohibited from ever getting a performance-based raise, no matter how well they do their jobs,” said Rokita. “We can’t expect American businesses to be competitive in a globalized economy under a system that forbids individual raises and discourages hard work, and the RAISE Act would change that.”

The National Labor Relations Board has repeatedly ruled that individual bonuses constitute “direct dealing,” which is illegal under collective bargaining law, and the NLRB has the power to strike down any bonuses or pay raises not negotiated by unions.

Although the RAISE Act would not alter existing contracts, it would protect employees’ ability to earn pay raises under future contracts. Federal law prevents discriminatory treatment of employees based on union membership, and the RAISE Act would ensure that both unionized and non-union workers have an equal shot at getting pay raises.

According to the Heritage Foundation, economic research shows that the average worker’s earnings rise between six and ten percent when they are eligible for performance-based pay. Allowing union members to earn such performance pay would mean significant raises—between \$2,600 and \$4,300 a year for the typical union member.

Rokita’s bill has so far drawn 24 cosponsors, including U.S. Reps. Trey Gowdy (SC-4), Ben Quayle (AZ-3), David Schweikert (AZ-5), Michele Bachmann (MN-6), Joe Wilson (SC-2),

Jason Chaffetz (UT-3), Patrick McHenry (NC-10), Tom Rooney (FL-16), Jeb Hensarling (TX-5), David Roe (TN-1), Jeff Duncan (SC-3), Tom Graves (GA-9), Louie Gohmert (TX-1), Mick Mulvaney (SC-5), Bill Huizenga (MI-2), Bill Flores (TX-17), Andy Harris (MD-1), Kevin Yoder (KS-3), Tim Huelskamp (KS-1), John Fleming (LA-4), Tom McClintock (CA-4), Donald Manzullo (IL-16), Todd Akin (MO-2), and John Campbell (CA-48).