

The Impact of the United States Supreme Court's Ruling in Janus v. AFSCME

Sutirtha Bagchi¹

Villanova University

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¹sutirtha.bagchi@villanova.edu. I would appreciate all comments on the paper.

Abstract

In 2018 in the case *Janus v. AFSCME*, the United States Supreme Court overruled its precedent allowing public-sector employers to collect fees from all employees in a bargaining unit, even those who chose not to join the union. In the first academic study on the impact of this landmark case, I quantify the impact of this decision on union membership. Using novel administrative data obtained through Open Records Requests from the largest jurisdictions across all non-right-to-work states affected by the *Janus* decision, I find a cumulative decline of about **15 percent** in the number of dues-paying members over the subsequent three-year period. About three-fifths of the decline occurs in the very first year itself, suggesting that the *Janus* decision represented a distinct shock to the legal environment governing public-sector employment. The declines are significantly lower for groups of employees with stronger cultures of union attachment, particularly teachers in the K-12 education system and police and fire employees in municipal governments.

Result 1: Percentage decline in membership for the period 2018–2021 across all governments

	(1)	(2)	(3)	(4)	(5)	(6)
	Full sample	Local govts.	State govts.	Full sample	Local govts.	State govts.
Year = 2019	-5.277*** (0.943)	-5.050*** (0.902)	-10.31*** (2.816)	-9.409*** (2.294)	-5.958*** (0.807)	-14.01*** (4.495)
Year = 2020	-7.158*** (1.045)	-6.951*** (0.999)	-11.72*** (3.033)	-10.92*** (2.411)	-7.735*** (0.963)	-15.17*** (4.591)
Year = 2021	-8.970*** (1.437)	-8.688*** (1.397)	-15.20*** (3.504)	-15.03*** (3.541)	-10.11*** (1.327)	-21.59*** (7.155)
Regressions	Unweighted			Weighted by baseline membership		
N	1572	1504	68	1572	1504	68
R-sq	0.24	0.23	0.51	0.50	0.43	0.64
F	22.31	23.08	6.882	14.65	21.93	8.863

Standard errors clustered by state in parantheses, * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Notes: The declines in union membership are measured relative to June 2018 for which the baseline membership has been set to 100. The *Janus* decision was announced by the U.S. Supreme Court on June 27, 2018. This analysis was conducted on 17 state governments and 376 local governments with data for all years, 2018 through 2021.

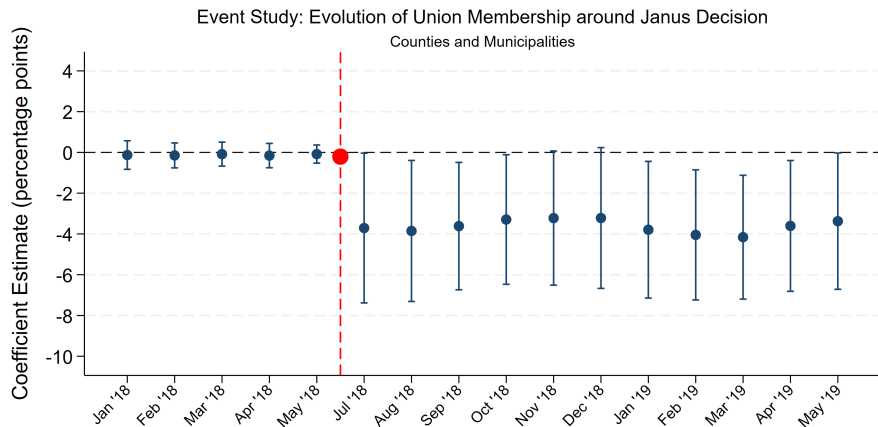
Result 2: Percentage decline in membership, adjusting for headcount, for the period 2018–2021 across all govts.

	(1)	(2)	(3)	(4)	(5)	(6)
	Full sample	Local govts.	State govts.	Full sample	Local govts.	State govts.
Year = 2019	-4.921*** (0.922)	-4.726*** (0.880)	-9.235*** (2.822)	-8.935*** (2.461)	-5.672*** (0.783)	-13.28** (4.939)
Year = 2020	-6.345*** (1.024)	-6.199*** (0.983)	-9.564*** (3.030)	-9.957*** (2.739)	-7.147*** (0.908)	-13.70** (5.470)
Year = 2021	-7.600*** (1.429)	-7.403*** (1.393)	-11.95*** (3.577)	-13.54*** (3.961)	-9.206*** (1.217)	-19.31** (8.339)
Regressions	Unweighted			Weighted by baseline membership		
N	1572	1504	68	1572	1504	68
R-sq	0.16	0.15	0.40	0.42	0.37	0.53
F	15.45	15.89	4.398	4.639	21.48	12.26

Standard errors clustered by state in parantheses, * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Notes: The declines in union membership are measured relative to June 2018 for which the baseline membership has been set to 100. The *Janus* decision was announced by the U.S. Supreme Court on June 27, 2018. This analysis was conducted on 17 state governments and 376 local governments with data for all years, 2018 through 2021.

Result 3: Clear lack of pre-trends prior to the decision



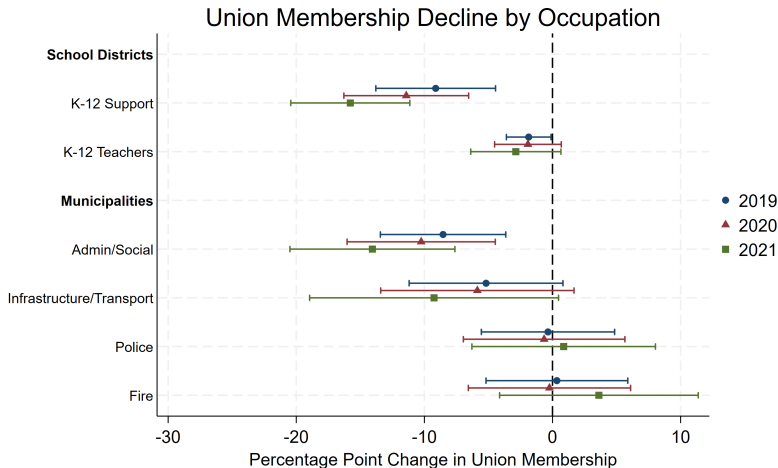
Reference: June 2018 set to 0 (Janus decision announced June 27, 2018).

Analysis conducted on 29 municipalities and 13 counties with monthly data

90% confidence intervals shown.

Standard errors clustered at state level. Pre-Janus F-test: $F(5,9)=0.25$, $p=0.932$

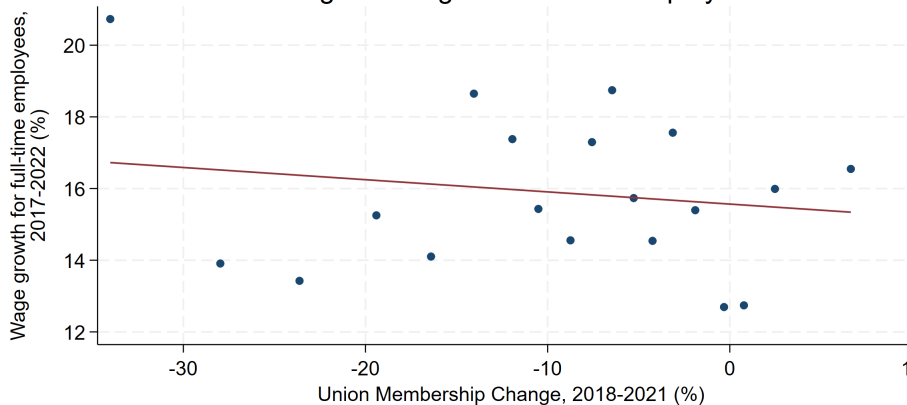
Result 4: The declines in membership are concentrated among groups with weaker union attachments



Note: Analysis based on 92 jurisdictions (56 school districts and 36 municipalities) with complete occupational data for 2018-2021. Municipalities include fire, police, infrastructure/transport, and administrative/social service workers. School districts include K-12 teachers and support staff. 95% confidence intervals shown. Standard errors clustered at state level.

Result 5: Decline in membership did not affect wages

Relationship between change in union membership and changes in wages of full-time employees



The change in union membership is between the pre-Janus period (first half of 2018) and 2021 and computed using Open Records Requests for jurisdictions impacted by the Janus decision. Change in full-time wages is computed using the 2017 and 2022 Census of Governments. N=391. Coefficient: -0.034 (SE=0.045). $R^2=0.002$

Conclusions

- The 2018 *Janus* decision represented the most significant policy shock to collective bargaining in the public-sector in 50 years.
- The immediate impact was a decline in union membership by about **9 percent** in the first year, with an overall decline of about **15 percent** in a 3-year period between 2018 and 2021.
- The impact of the decision on union membership was about twice as large for state governments as it was for local governments.
- Groups that historically had stronger levels of union attachment experienced smaller declines in membership (e.g., K-12 Teachers in school districts and Police and fire personnel in municipalities).
- Somewhat surprisingly, the declines in union membership did not have any noticeable impact on wages as best as we can infer from the Census of Governments data.