

August 31, 2011

Summary of State Collective Bargaining Agreements

LEGISLATIVE ANALYST'S OFFICE





Employee Compensation Background

- ☑ ***Estimated Total State Employment.*** The state has about 350,000 employees with a total salary cost of about \$24 billion (all funds). About 61 percent of these employees work in the executive branch. About 37 percent work for the University of California or California State University. The rest work for the judicial and legislative branches.
- ☑ ***212,000 Executive Branch Employees.*** California Department of Corrections and Rehabilitation accounts for about 30 percent of the executive branch workforce. About 83 percent of executive branch employees are represented by one of the state's 21 bargaining units. Most of the remaining 17 percent of the workforce are managers or supervisors.
- ☑ ***Costs.*** Executive branch employee compensation accounts for about 12 percent of General Fund expenditures in 2011-12. It includes: \$7 billion in salaries and \$3.4 billion in benefits.



Memorandum of Understanding (MOU) Process

- ☒ ***Ralph C. Dills Act.*** With passage of the Dills Act in 1977, the Legislature authorized collective bargaining between unions representing rank-and-file state employees and the administration.
- ☒ ***Legislature Ratification.*** The Legislature must ratify the key provisions of MOUs in order for them to take effect. In addition, under the Dills Act, the Legislature annually may choose whether to appropriate funds in the budget to continue the financial provisions of each MOU.
- ☒ ***Fiscal Analysis Requirement.*** Section 19829.5 of the Government Code—approved by the Legislature in 2005—requires the Legislative Analyst's Office to produce a fiscal analysis of tentative MOUs within ten days of receiving them.



Status of MOUs



New MOUs. During 2010-11, the Legislature ratified new MOUs for all 21 bargaining units. Most of the MOUs include the following provisions:

- **Employee Pension Contribution.** Employees generally are contributing between 2 percent and 5 percent more of their monthly pay towards their retirement. The state's contribution to employee retirement is offset by the increased employee contributions.
- **Personal Leave Program.** For the first 12 months of the MOUs, employees' pay is reduced by 4.6 percent and employees are given one day of leave each month.
- **Professional or Personal Development Days.** Employees receive two additional paid days off each year—days that are functionally the same as a personal holiday.
- **Pay Increase.** In 2012 or 2013, employees at the top step of their salary range will receive a pay increase roughly equivalent to the increase in employee pension contributions.

The following table summarizes the major provisions included in the new MOUs.



Summary of MOUs Ratified in 2010-11

Bargaining Unit (Percent of Workforce)	MOU Expires in July of	Personal Leave Program	Employee Pension Contribution		Police Officer, Firefighter, and Patrol	Professional or Personal Development Days	Top Step Increase in 2012 or 2013
			Miscellaneous and Industrial	Safety			
Chapter 162, Statutes of 2010 (SB 846, Correa)							
12—Craft and Maintenance (4.8%)	2012	Yes	10%	11%	—	Two	5%
5—Highway Patrol (3.0)	2013	No	10	—	10% ^a	—	2
18—Psychiatric Technicians (2.7)	2012	Yes	10	11	—	Two	5
Chapter 163, Statutes of 2010 (AB 1592, Buchanan)							
19—Health and Social Services/Professionals (2.3)	2012	Yes	10	11	—	Two	5
8—Firefighters (2.3)	2013	No	10	—	10	—	4 - 5
16—Physicians, Dentists, and Podiatrists (0.8)	2012	Yes	10	11	—	Two	5
Chapter 728, Statutes of 2010 (AB 1625, J. Pérez)							
1, 3, 4, 11, 14, 15, 17, 20, and 21—SEIU Local 1000 (41.8)	2013	Yes	8	9	—	Two	3 ^b
Chapter 25, Statutes of 2011 (SB 151, Correa)							
6—Correctional Peace Officers (13.8)	2013	Yes	8	—	11	Two	3 - 4
9—Professional Engineers (4.9)	2013	Yes	8	9	—	Two	3
7—Protective Services and Public Safety (3.0)	2013	Yes	8	9	10	Two	2 - 3
2—Attorneys (1.6)	2013	Yes	9	10	—	Five	4
10—Professional Scientific (1.2)	2013	Yes	8	9	—	Two	3
13—Stationary Engineers (0.4)	2013	Yes	10	11	—	Two	5
^a Some of this contribution is funded from a redirection of funds employees previously contributed for prefunding retiree health benefits. Beginning July 1, 2013, 10 percent becomes the “normal rate” of employee pension contribution for CHP officers.							
^b Seasonal clerks employed by the Franchise Tax Board and the State Compensation Insurance Fund instead receive a 50 cent per hour pay raise.							