

CAPSule

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August 2013, Issue #13-08

NO NEW MOU



CAPS is firm: a 30% wage increase over three years.

On August 7 CalHR, on behalf of Governor Jerry Brown, acknowledged salary lags of between 16% and 40% for rank-and-file state scientist classifications. That is in accordance with the jointly conducted salary survey required by the now-expired CAPS Memorandum of Understanding, Section 17.3. Yet CalHR offered no salary proposal to close the gap at any level. Instead, CalHR refuses thus far to budge beyond its only salary proposal: a 4.5% general salary increase over three years. While CAPS' own survey differed slightly from that of CalHR results, differences between this jointly conducted survey are minor and can be worked out. (See both surveys on the CAPS webpage: www.capsscientists.org) More importantly, CAPS insisted that the salary survey is meaningful ONLY if something is done about it. That means closing the salary gap with a substantial salary increase. So far, CalHR has not made one. CAPS urged the CalHR Team to seek authority from Governor Brown to address this salary inequity.



It's clear from recent actions that he can and he has addressed salary inequities. For about 700 plant operations employees at the Department of Water Resources, raises of up to 37.5% were effective July 1. Thousands of DMV workers — rank-and-file and supervisors and managers — received raises of up to 7.5%, also effective July 1. So Governor Brown will address inequities where they exist. If he can do it for other state employees, he can do it for state scientists. The need is clear: successful recruitment and retention efforts for state scientists require higher salaries.

CAPS also reiterated its previous proposals for a 10% salary differential for employees working in 14 high-cost counties throughout the state, increasing reimbursement for professional

society dues from \$100 to \$500 annually, extending an existing incentive program to cover scientists working for the Department of Water Resources, and improving an incentive program for scientists working in after-hours emergency response. CalHR is considering these proposals. The August 23 bargaining session was cancelled.

Several unions have reached agreement with the Governor covering 12 bargaining units. SEIU and AFSCME have reached accord with the Governor on three-year deals including just 4.5% wage hikes. The union representing psychiatric technicians in unit 18 struck a similar deal. CHP officers will receive over 5% this year based on a statutory-based salary formula.

But the CAPS Bargaining Team remains resolute. There must be more in the agreement to warrant a ratification vote by CAPS members. State scientists who travel notice that hotels are charging \$6 more per night for state employee lodging, and the state is providing a few dollars more for meals to employees covered by a new labor contract. This appears to be the only incentive state management has for CAPS to reach agreement in the near term. That's not reason enough. With the economy on the mend and more state revenues rolling in, it's time to address the long-standing salary inequity suffered by state scientists.



Unless and until Governor Brown significantly increases his offer to CAPS, there is an increased likelihood that state scientists will go into the fall with no new labor contract in place. That's because the State Legislature adjourns for the remainder of the year on September 13, and it must ratify any new labor agreement. In the absence of a new labor agreement, all of the important provisions of the expired agreement remain in place. Salaries, benefits and working conditions continue unchanged.

California State Scientists ... Knowledge, Innovation, Protection

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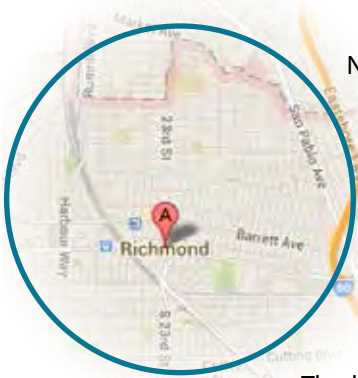
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Gas Leak in Richmond Prompts Action



Natural and man-made disasters can happen any time. That's why CAPS immediately began working to improve the response of the state Department of Public Health to a natural gas leak located near its expansive Richmond Campus on July 26.

The leak sickened some employees on the Campus. It was, initially, reminiscent of the toxic emissions from the nearby Chevron refinery fire last August which caused as many as 15,000 local residents to seek emergency medical help. As it turned out, this gas leak was from a nearby project on a much smaller scale. But the leak was severe enough to make many people in the vicinity nauseous and concerned for their personal safety. Some confusion and misdirection prompted some employees to stay at work when they otherwise might have quickly evacuated for safer ground.

CAPS' purpose was to ascertain what happened, and to ensure the efficacy of plans for future emergencies. The gas leak occurred about 1/8 mile from the Campus during construction work.

Campus staff began smelling the distinctive odor and informed management almost immediately. A gas leak safety protocol

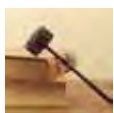
was invoked when City of Richmond police and fire called the Campus and explained what was happening. Some confusion and apprehension resulted from a call by the local safety agencies stating that the leak was "under control" in the first 15 minutes. This was later retracted, with the statement that the leak was "not under control" and issuance of a formal "Shelter In Place" order. This triggered natural gas monitoring. Meanwhile, some Campus employees, including scientists, were nauseated and headed home ill.

The gates of this secure Campus were closed but not locked. Campus staff could still exit, but this needed to be communicated Campus-wide. At CAPS' urging, local management will undertake a better survey of pipeline routes near or adjacent to the Campus. Management will also examine the effectiveness of its method of Campus-wide emergency announcements, including the need for an effective outdoor public address installation to advise Campus employees and visitors caught outside during an emergency.

CAPS is still assessing possible deficiencies in the emergency response protocol for that large state-owned facility, as it has in many others over the years where emergency response is a concern. Finally, CAPS will work to ensure that individuals with leave credit issues are given a fair shake.

Pension Issues Abound

Just when we thought pension issues had receded from center stage, Detroit went bankrupt. Its state-appointed emergency financial manager recommended the filing because all else had failed. And unlike Stockton and San Bernardino, retirees in Detroit will definitely feel the bite. Their pensions could be reduced by as much as 90% because Detroit's public employee pension obligations have been thrown into the bankruptcy. According to Detroit officials, the city's pension obligations are so great that there is no way to satisfy them short of simply reducing them proportionally.



That is a key difference in the issues between Detroit and the California municipal bankruptcies, at least so far. In Stockton and San Bernardino, CalPERS is fighting aggressively in court to keep the pensions of its public employee members out of the bankruptcy arena, so far with good success. Other important developments:

- Federal officials are ready to cut billions from transportation funding to California as a result of Governor Jerry Brown's pension reform law passed last year. The parts of that law that CAPS and other labor groups objected to most — unilateral increases to employee pension contributions with less generous formulas for new employees — may prompt changes in the law.
- Former Los Angeles Mayor Richard Riordan is proposing a federal bailout for distressed state and local government pension plans, but there is a price: a universal discount rate imposed on public pension funds so that plan administrators can't use a higher projected rate of return to reduce the estimate of its unfunded pension liability. That would help ensure pension plans are well-funded, but leave little for other employee expenditures, such as pay raises.

CAPS continues to monitor all of this closely as an active member of the labor coalition: Californians for Retirement Security: www.LetsTalkPensions.com.

Staying the COURSE

By David Miller, President

I'm prepared to go into the fall without a new collective bargaining agreement, and I hope you are too.

Until Governor Brown recognizes the work of state scientists with more than kind words — and there haven't even been many of those lately — no agreement is likely at the bargaining table before the State Legislature adjourns for the year on September 13.

This means state scientists will continue to work under the terms of the now expired MOU. Nothing will change with your pay or benefits. Full paychecks were already restored after unpaid furloughs ended in June. Scientists at the top step of their salary range received a 3% salary increase. We are taking care of those few who were mistakenly denied that increase.

More unpaid furloughs can't be imposed on us without legislative approval, and I am confident that simply won't happen.

The state's contribution towards your CalPERS retirement will continue uninterrupted. This is something we negotiated in past years, and ensures that you won't be pressured into accepting a poor labor contract in order to protect your retirement. I have spent a good portion of my time with CAPS protecting and enhancing retirement benefits, and I'm not about to let up now. Same goes with the CAPS Bargaining Team, the CAPS Board of Directors, and our professional staff.

You will receive vacation and sick leave allowances at the same accrual rates.

The state's contribution towards health benefits remains unchanged — and these will increase starting next January because they are based on a statutory formula, something CAPS negotiated many years ago.

You will still observe 11 state holidays. The big ones looming are Labor Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving, Christmas Day and New Year's Day. We don't need to reach a new agreement for you to spend this time with your loved ones.

You will receive credit for TWO personal development days this fiscal year, just as you did last year. No change.

Your hours of work and working conditions cannot be unilaterally changed by state management. Notice must first be provided to CAPS, with the opportunity to negotiate any changes.



So what DOES change? Nothing affecting your take-home pay or accrual of benefits. In fact, nothing significant or that you would notice.

If there was a contract agreement agreed to by CAPS this month, what likely WOULD change? Based on the latest offer from Governor Brown's negotiators, two things would change. First, reimbursement for lodging increases would increase by six dollars per night (you can still file for excess lodging reimbursement if the state rate is insufficient), and meal allowances would increase by a few dollars. Second, you would receive a virtual guarantee of a 4.5% salary increase over a three-year period. One half of one percent of this would be applied towards your post-retirement health benefits. So, under Governor Brown's current offer, your wage increase would be a maximum 4% over three years, and that likely won't take effect until 2014.

Your CAPS Bargaining Team members are unanimous in our resolve. The offer of four percent over three years is simply unacceptable, and verges on insulting. We have waited nearly 10 years to return to salary equity with state engineers and other public sector counterparts. We are not about to give up on it now. We have earned it and we deserve it. Scientist classifications not directly covered by that LPLW decision have a comparable salary lag based on studies conducted both by CalHR and CAPS.

The ONLY meaningful thing we would gain by a contract agreement in the near term is a guarantee that we WON'T get salary equity for AT LEAST three years. And for what? A paltry 4% salary increase that almost certainly won't keep pace with the rising cost of food, transportation and housing, plus a modest increase in travel reimbursements! We have filed a grievance to contest the state's failure to extend the increased reimbursement rates to rank-and-file state scientists anyway. We like our chances with that one.

What we GAIN by not reaching agreement is the message we send to Governor Brown: pay attention to state scientists. Satisfy our reasonable demands for salary equity. We will not go quietly. Four percent over three years is not enough! Please stand with me and your CAPS Bargaining Team on this. You can help too. If you haven't written your own letter to Governor Brown in support of salary equity, now is the time. We have made it easy for you via the CAPS webpage: www.capsscscientists.org.

“The offer of four percent over four years is simply unacceptable.”





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PROFESSIONAL SCIENTISTS

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CAPSule (ISSN 10446230) is published monthly by the California Association of Professional Scientists, 455 Capitol Mall, Suite 500, Sacramento, CA 95814. Periodicals Postage Paid at Sacramento, CA. POSTMASTER: Send address changes to: 455 Capitol Mall, Suite 500, Sacramento, CA 95814-2483.

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California Needs Scientists to Confront Climate Change

Published in the *Sacramento Bee* Friday, August 9, 2013

Re “It’s clear Lake Tahoe’s clarity has improved” (*Sacramento Bee*, Aug. 8): The new report showing how climate change is affecting California’s natural resources should serve as a wake-up call. Something must be done to protect our future. Gov. Jerry Brown has said climate change is real and that it is long past time for action. The California Association of Professional Scientists and its 3,000 scientists stand ready to work with the governor and Legislature to find solutions that address the impacts to our infrastructure, health, and natural resources.

CAPS state scientists are experts in their fields, and possess the skill and knowledge to tackle this great problem. But that expertise is eroding as scientists flee state service for higher paying jobs at local agencies and the private sector.

The Brown Administration must recognize that this problem cannot be solved without qualified state scientists earning competitive wages. It is important work that deserves fair pay.

-- *David Miller, President, California Association of Professional Scientists
Sacramento*