

CAPSule

E-Mail CAPS at: caps@capsscientists.org

Website: www.capsscientists.org

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Retirement Initiative Undermines Retirement Security



Critics now agree: the 2016 ballot measure that would make future pension benefits subject to voter approval is fraught with legal and administrative peril.

That's according to Legislative Analyst Mac Taylor and CalPERS Chief Executive Officer Anne Stausboll.

Former San Diego Councilman Carl DeMaio and former San Jose Mayor Chuck Reed are circulating the measure, which would constitutionally require voter approval for future retirement benefit increases. Employees hired on or after January 2019 would not receive the kind of defined benefit pension now common for most California public employees. That is unless voters in each jurisdiction authorizes continuing those plans. The measure also states it will not impact death or disability benefits. But now CalPERS says that language could be interpreted as violating pension promises to current employees, might threaten CalPERS' federal tax-exempt status, and will create chaos by forcing employers to close their defined benefit programs to employees hired in 2019 and beyond.



The proponents are falsely selling it as a potential cut in pension benefits **just** for new employees. In reality, it could cut or eliminate pensions earned by **current** employees for future work. Whether it's a function of poor drafting or something more sinister, a careful reading of the proposal reveals its potential reach is far longer than its backers admit. It attempts to eliminate state constitutional protections for current and future employees to receive the pension benefits they were promised when hired, it would allow governments to break the retirement promise made to public employees when they were hired, and it rewrites their benefits without negotiation or other compensation.

This brazen assault on retirement security makes contracts for public employees meaningless, permitting voters, without collective bargaining, to increase or decrease compensation and retirement benefits by initiative and referendum. The proposal repeals 60 years of legal precedent and alters the fundamental balance of power between workers and management. It closes pension plans to new employees and prohibits government employers from contributing funds to existing pension plans to fund promised benefits without voter approval.

State and local governments have already taken steps to shore up their pension systems. In 2011, Gov. Jerry Brown and the Legislature passed extensive pension changes that raise the retirement age for new workers, and require all employees to contribute a larger share of their own retirement. State scientists, for example, saw their contribution for retirement benefits increase from 5% to 8% of their monthly salary. The average public employee pension is approximately \$2,500 a month, and every new employee must now pay half the normal cost of these benefits.

This measure would eliminate defined benefit pensions for new employees hired after Jan. 1, 2019, restricting them to either 401(k)-style plans or nothing at all, unless a vote of the electorate restores benefits. It also eliminates the current death and disability benefits for new police, firefighters and other public employees.

Talk to your family, friends and neighbors.



Don't Sign This Petition!

Please visit www.LetsTalkPensions.com



California State Scientists ... Knowledge, Innovation, Protection
455 Capitol Mall, Suite 500, Sacramento, CA 95814 • (916) 441-2629
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CAPS To File Concur Grievance



CAPS is compiling evidence to support an organizational grievance soon to be filed on behalf of all state scientists regarding implementation of the Concur Travel Program. You can help by relating your experience in using this relatively new “mandatory” state travel program. Submit your story, positive or negative, to CAPS here: caps@capsscientists.org.

The Department of General Services (DGS) introduced Concur Travel as part of the new Statewide Travel Program (STP) on March 6, 2014 and requires all state employees to use Concur as the primary means for booking room reservations. Implementation began May 1, 2014 and in theory ends December 31, 2015. Use of Concur is said to be mandatory, but apparently some departments are continuing to allow past practices to continue. Use of a centralized system like Concur Travel for travel reservations is usually considered a management right, subject to meeting and conferring over implementation

issues. The STP staff has claimed there would be extensive communication with the unions prior to the end of the implementation period, yet CAPS has yet to receive any such invitation.

Some CAPS members are still able to circumvent Concur with their management’s permission because they can get better accommodations without it. Other departments are requiring exclusive use of Concur for all travel arrangements. One frequent complaint is that Concur requires state employees to submit personal credit card information. Many hotels that were once accessible for state travel aren’t available on the Concur system, even though they will still accommodate state employees at the state rate. Often these accommodations are closer to the field site, are cleaner, and located in safer areas. CAPS wants to hear YOUR Concur story! The goal is to improve the program for all concerned.

CAPS Board of Directors Election

The CAPS 2015-2017 Board of Directors election is now underway. The deadline for filing a nominating petition is August 24 at 5 p.m. The CAPS Board of Directors is subject to election every two years. The CAPS Board meets quarterly. Actual time required may exceed this based on committee memberships and other activities necessary to represent the employment interests of state scientists. CAPS officers and directors are volunteers, and are not salaried, but are reimbursed for actual and necessary expenses for CAPS activities. The volunteer nature of CAPS helps keep dues low.

Positions subject to election include four officers (President, Vice President, Secretary and Treasurer), five regional district directors, two at-large directors and one supervisor. Each candidate must have been a CAPS member for at least one year

continuously and must have permanent state civil service status. Each candidate must submit a nominating petition containing the signatures of at least 10 CAPS members. Supervisory members may run for only the supervisor’s seat on the board. Balloting will be conducted by secret ballot via U.S. mail. There is no filing fee.

TrueBallot, a specialized independent election service, will once again administer the election; visit their website for more information: www.trueballot.com.

Nominating petitions are due Monday, August 24 at 5 p.m. and candidate statements are due at 5 p.m. on Monday, August 31. Complete nomination information can be found on the CAPS webpage: www.capsscientists.org.



A GOOD THING

By David Miller President

As I near the end of my term as your President, a few things occur to me.

I'm proud of what we've done. We have a contract that continues our pay, retirement, health and other benefits, and the Governor can't unilaterally reduce them. We successfully sued to get two days of the mandatory furlough restored. We've rallied the membership behind a comprehensive reclassification and salary proposal that would correct a historical pay inequity and benefit **every** state scientist. We've worked very hard to protect and improve our employment circumstances. CAPS remains healthy and we are well-positioned to move forward with our effort to restore salary equity for ALL state scientists.



It's harder than it looks. The current CAPS Bargaining Team and Board have worked extremely hard to make salary equity a reality, as has **every** CAPS Board since the problem first emerged in 2005. We aren't there yet, because getting ANY governor to do what we need is difficult, especially when it involves money. Keep that in mind as the next CAPS President picks up these reins.



Teamwork is crucial. It takes more than just CAPS leaders and staff to get big things done. Membership involvement is critical. That means having a unified message and making noise across ALL state departments that employ scientists. Management is always looking for ways to provide piecemeal incentives, get an overall agreement that keeps the peace, and saves them money. We've made it clear that approach won't work this year. We must remain unified to ensure that our ultimate goal is achieved: salary equity for ALL state scientists!



Salary Equity isn't the only thing. A focused and very dangerous attack is being directed at our retirement benefits. A pension initiative proposed for 2016 would, if passed, detrimentally affect every California public employee, current and future. Fortunately, we're in

good company as we fight this — Californians for Retirement Security is leading the opposition. CAPS and most other California unions are participating. I expect we will defeat this initiative, but the war is far from over. We have powerful, well-funded enemies on the other side of this one.



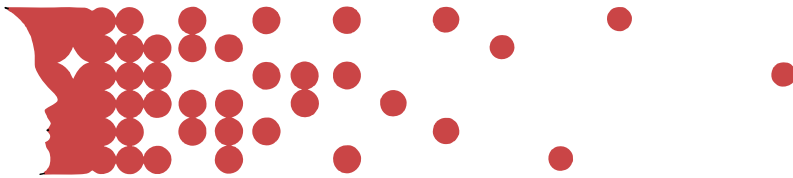
Public sector unions are endangered. Union haters abound. Several states have passed laws that limit the legal and financial power of the public sector unions. The U.S. Supreme Court is now considering a California case that could dramatically reduce the financial reach of ALL public-sector unions. Our voice in the workplace would be greatly diminished if these efforts succeed. As tough as it is now to make gains on pay and benefits, things could get a whole lot tougher if the union haters get their way.



CAPS is our Camelot. CAPS was created by state scientists in 1984 as an independent alternative to a large union that had long been representing state scientists and most other state bargaining units. As one of the smaller bargaining units in state service, our voice was getting lost among the lower paid, more populous bargaining units represented by what is now SEIU Local 1000. If a few far-sighted scientists some 30 years ago hadn't fomented a revolt and created CAPS, we would now be paying far more in dues (2.25% of gross pay), and likely getting much less in focused representation. We make all of our own decisions. We set our priorities. We set our own dues. We have our own professional negotiators, labor relations experts, attorneys, legislative advocates, and professional staff. Sure, there are limits to our ability to do everything we would like to do. However, our independence lets us direct our attention and resources on issues we consider most important.



Science is AWESOME! As we evaluate the future of our state science careers and CAPS' role in it, try to appreciate the many blessings we have as state scientists. We do important work that is vital for public health and safety. Most of us continue to do this work because it's important to our stakeholders and to us. CAPS is our independent voice to address our unique employment and professional issues. Let's build on that together!



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● 455 Capitol Mall, Suite 500
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How Much And *When?!?*

The CAPS Bargaining Team has demanded **Salary Equity NOW!** from Governor Brown's CalHR and the Department of Finance (DOF) contract negotiators.

Now that CalHR/DOF recognize there's a salary lag -- it's about time! -- the question asked by CAPS is: How Much and When? Thus far, CalHR/DOF has provided no specifics on a new proposal, amounts or timing.

Bargaining is next scheduled for August 31. The CAPS Team is available before then should there be a new substantive proposal made by CalHR. Most importantly, there is still just enough time to reach a tentative agreement and have it ratified should the August 31 meeting produce a tentative agreement.

CalHR has agreed to make certain changes to classification proposals jointly reached as part of the Reclassification and Pay Project. But CalHR has also rejected important changes to some of the other classification components, and has rejected **all** changes to the proposed Lab Scientist and Research Scientist components. The CAPS Team has also demanded that the Reclassification Project be adopted in its entirety.

THIS contract must restore salary equity consistent with the wording and intent of the last MOU.