



CSEA UNITY 2009

California State Employees Association



www.calcsea.org

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Solidarity needed to save public services

by Dave Hart, President

We're all in the same boat. That's the message I hope every delegate took out of General Council. If we do not work together we all lose.

It's in the interest of every CSEA affiliate to do everything possible to support the efforts of the other affiliates. And we all need all the help we can get. For example:

SEIU Local 1000 spent nine months negotiating in good faith with the governor. Members overwhelmingly ratified a contract that would have saved the state \$340 million. After shaking hands on the contract, the governor reneged, imposed three furlough days, did nothing to secure Republican votes, and actually threatened to veto the contract if it did pass.

CSUEU members ratified a 24-day-per-year furlough agreement only after the legislature hit them—and CSU's students, faculty and the working class communities that the CSU serves—with \$584 million in cutbacks. Only the strength of CSUEU is making implementation of this 9.3 percent pay reduction as fair and equitable as possible.

State supervisors have been hit with the

same furloughs as the rank and file without even the right to bargain over implementation or to fight them in the courts as a contract violation. ACSS, of course, has no contract.

And all of us, actives and retirees, are threatened to the core by the renewed attacks on our retirement benefits, including health care.



'All of us are threatened by renewed attacks on retirement benefits...'

What is CSEA's role? First, it's to help the affiliates do the best job they can do for their members. That means providing premier "back office" support more efficiently to free up affiliate resources to fight these attacks. We've made progress over the last two years, but we have only begun to produce tangible results.

Second, over the last two years the CSEA Board of Directors has nursed the seeds of unity within CSEA. The success of General Council was a measure of some progress. CSEA should be a focus for unity of the affiliates and,

in the long run, all public-sector unions.

For example, CSEA with the unanimous support of the affiliates, could:

• **Coordinate coalition activities:** Work with the coalitions—like the Fair Budget Coalition and the Coalition for Health Care and Retirement Security—taking the lead in fighting attacks on retirement and retiree health care benefits.

• **Help coordinate the message:** This starts with the simple exchange of information, and support for affiliate initiatives. Each affiliate needs to understand the initiatives and priorities of the others. We urge members of all affiliates to check in frequently at all affiliate websites. Attend their events. Join www.alliancefortheesu.org and put a "State Worker and Proud of It" sign on your lawn.

CSEA affiliates need to let the public know that state employees—in fact, all public employees—deliver essential, professional services at below-market rates, and CSEA needs to support that campaign in every way possible. Public institutions are the solution to collective problems, and there's no shame in saying that loud, clear and often.

Q & A about retirement security

Are public employee pensions too generous?

- Retired California public employees have only a modest retirement. More than ¾ of them make less than \$30,000 a year. Some 60,000 are at or below the state poverty level.

Are union contracts to blame for out-of-control pension costs?

- Huge pensions are concentrated almost entirely among high-paid executives and management, the vast majority of whom are not represented by unions.
- Public employees give up pay raises for secure retirement.

Who pays for state and other public worker retirement benefits?

- The burden is already shared. Taxpayers pay only a relatively small percentage of the burden for retirement. Employees pay in equally.

How do public employee retirement benefits help the economy?

- Approximately \$35 billion is pumped into California's economy by pension investment — \$7 of economic payback for every \$1 of investment.
- Taxpayers benefit from higher-quality public servants. Public service pensions attract high-quality workers who would otherwise make more money in the private sector.
- Taxpayers benefit from the pension system's size and strength. CalPERS invests between \$17 billion and \$18 billion directly into the California economy.

Why does the national debate on health care matters to state workers?

- CalPERS spends about \$5.7 billion a year to provide health care. Since 2003, health premiums have risen by more than 60 percent. National health care reform

can bring about systemic changes that make health care affordable for our employers and our members.

- Health care spending today consumes 30 percent more of state and local budgets than it did 20 years ago. A lower price for health care for all would also make retiree health care less costly for government agencies.

What happens if there's no action on national health?

- The cost of inaction is tremendous. CalPERS priority for health care reform is to ensure that health care is affordable for all Americans, as the cost of treating uninsured gets built into members' rates. Health care reform is critical to the State and local contracting employers who are struggling with cuts to their revenues.

CSEA AFFILIATE NEWS

Local 1000 will keep fighting for its contract



The Legislature's regular session adjourned last month with Local 1000's contract bill (AB 88) in limbo. Along with more than 20 other critical pieces of legislation—including water bonds, wildfire and environmental protections—Local 1000's contract bill was held up by Republican legislators who refused to pass bills requiring a two-thirds vote.

"Our contract bill was caught up in the larger dysfunction in the Capitol," Local 1000 President Yvonne Walker said after the Legislature adjourned. AB 88 received support from all 25 Senate Democrats, but needed two Republicans to reach the required two-thirds.

"Local 1000 will not stop fighting for the contract we signed to cut furlough days and increase job security ... and we'll keep fighting and winning in the courts, where we've filed six separate pieces of litigation challenging the governor's furlough scheme."

Walker said Gov. Schwarzenegger's furlough program has failed to achieve the savings he promised and instead is "a program that has gone too far—15 percent cuts are forcing people into foreclosure who were willing to be part of the state's budget solution ... it is a program that is dragging our communities deeper into recession when other states are beginning an economic turnaround because their leaders are injecting money into their communities.

"In the midst of this budget crisis, Local 1000 and its members stepped up," Walker continued. "We negotiated a contract that saves the state \$340 million, we uncovered hundreds of millions of dollars of waste in private vendor contracts, we identified more than \$2 billion in unbudgeted, labor-related cost savings and revenue savings ... We've done our part, now it's time for this governor and the legislative minority to do theirs."

Columbus Day is STILL a holiday

The following message from Local 1000 President Yvonne Walker is on the Local 1000 website:

"I have received numerous questions and concerns about the upcoming Columbus Day holiday. **Monday, October 12, 2009, is a holiday.** I am aware that the Department of Personnel Administration (DPA), through the departments, has put out a conflicting message. This is not a case of different interpretations of the contract. The contract, **Article 7.1, Section B**, is clear and unambiguous.

"While it is true that the Legislature changed the law, this was done as part of contract negotiations where we exchanged Columbus Day and Lincoln's Birthday for two personal holidays. When the Governor broke his word and failed to get our contract ratified by the Legislature, he also lost the ability to implement the new terms of our new contract. **Therefore, our current contract, which grants Columbus Day as a holiday, is still in force.**"

For more information, go to www.seiu1000.org

CSUEU gets in the spirit with GC 2009



The 65th CSEA General Council, September 4-7, was marked by a renewed sense of unity within CSEA to face the challenges that lie ahead for CSEA and the four affiliates.

Work on the strategic plan, bylaws and the CSEA budget yielded a model meeting that strikingly ended one day early, with no major conflicts along the way.

The impact on CSUEU members at the grass roots level is that they can expect stability in the legal, accounting, legislative action, printing, and benefits services that CSUEU purchases from CSEA. It also means better deals from Member Benefits due to greater numbers in the pool.

The CSUEU delegation featured a mix of more than 90 new and returning delegates who bonded with each other and with delegates from other affiliates throughout the weekend.

For the first time, CSUEU hosted an affiliates day program, Friday, September 4, giving delegates an opportunity to hear perspectives on the CSEA strategic plan from Dave Hart, along with a CSEA-specific financial discussion with Lee King. The day included viewing an informative video on parliamentary procedure and ended with an entertaining CSUEU version of Jeopardy which, to the sounds of much laughter, was concluded the following evening at our CSUEU dinner.

On Saturday morning, we held a workshop on furloughs as a way of addressing an issue that is so important to our members.

Throughout General Council, several CSUEU members volunteered on GC Times, a CSEA-supported newspaper published every day of the meeting. It was edited by CSUEU VP for Representation Russell Kilday-Hicks, featured a daily column from a newcomer's perspective by CSU Channel Islands chapter President Joseph Dobzynski, and was augmented by articles on a variety of topics by CSUEU Communications Committee Chair Ray Finnell, among others. ACSS and other affiliates all contributed as well.

PDFs of GC Times are downloadable from the CSUEU home page, www.csueu.org (look for the Newsletters box on the left column).

As Dave Hart has said, delegates to this GC consolidated the reforms enacted in 2007 by bringing the CSEA bylaws up to date, passing a sound budget and re-electing incumbent officers. CSEA is now well poised to support its affiliates in meeting the many challenges that lie ahead.

ACSS delegates begin planning for future



ACSS used its Affiliate Day at General Council to complete the first step in its long-term effort to strategize the organization's future.

President Arlene Espinoza characterizes the planning project, which the executive board implemented, with a question: "Where does ACSS go and grow?"

"By that I mean, where do we want to be, where do we see ourselves, what is it we want to achieve?" she explains.

The daylong workshop was facilitated by Eric Douglas, president and CEO of Learning Resources Inc. of Sacramento. Eric had the members work in several rounds of small groups to brainstorm ideas and visions and then share with the full assembly.

There was easy consensus for the top goal: to increase our membership and members' participation, beginning at the chapter level. One original idea for doing this was to offer new members a mentoring program.

Other goals included increasing political activity, improving ACSS' public image, and building on our emerging training program with more relevant classes that would qualify for promotion credits.

The groups' dedication to their tasks was evident in the ideas that emerged from the exercises. In determining goals for the next two years, members suggested: finding ways to make excluded employees' salaries a line item in the budget and having salaries set by a commission, rather than the DPA (a proposal that was almost unanimously supported); increasing district office visits; hiring a spokesperson to help improve our public image; increasing chapter budgets to attract members to meetings; expanding ACSS' lobbying presence; surveying members to learn their needs; forming member interest groups; finding the personal "driver" that entices someone to become a member; and making ACSS a "household name."

Here are some of their suggestions for implementing their ideas:

- Change the name of ACSS to increase its impact (perhaps adding the word "manager" and making sure the new name forms a catchy acronym).
- Increase awareness about ACSS (for example, find a celebrity to act as ACSS spokesperson, generate features about members for their local newspapers, hold luncheons with legislators).
- Increase worksite visibility (hold chapter meetings at worksites, wear ACSS shirts on specified days for solidarity).
- Make ACSS a premier trainer. Courses should provide credits toward promotions or raises.
- Double the number of members.
- Recruit younger members.

Based on her feedback, Arlene says, the members agreed the session was "remarkable."

ACSS videos: ACSS has produced four short videos to help showcase the organization and recruit members. Three of them are about two minutes long. We also have produced the DVD for the second course in our management training series. Check out these videos on our Web site, www.acssonline.org.

Long-term care premiums likely to rise



Members of the CalPERS Long-term Care Program could see premium hikes of between 15 to 25 percent in July 2010, followed by another similar hike in 2015.

The assistant executive officer of the CalPERS Health Benefits Branch told the CalPERS Board of Administration about the likely hikes at the board's meeting Sept. 16. The hike percentages would vary, depending on plan.

The CalPERS Health Benefits Committee is scheduled to discuss the status of the program and possible hikes at their Nov. 17 meeting in Sacramento. The CalPERS board is not expected to take action on the issue until December.

For months, board members have met in closed session to discuss the CalPERS Long-term Care Program, which has not accepted new members for more than a year.

CalPERS staff recently received a draft of the 2009 annual valuation for the program. The results of the valuation will be included in an information item at the November committee meeting.

If rates go up around July 2010, staff would continue to closely monitor the program to assess the likely need for another premium increase of similar magnitude in 2015, according to a CalPERS spokesman. He said CalPERS will communicate with its members in a timely manner so they can make informed decisions.

CalPERS established the self-funded, not-for-profit long-term care program in 1995 to provide lower premium costs and better benefits to its members and their family members. When the program was accepting new members, they had to be between the ages of 18 and 79.

In 2008, the program had 170,000 policyholders.

The program has seen two rate hikes since its inception – between 15 to 30 percent, depending on plan, in 2003; and between 5 to 45 percent, depending on plan, in 2007.

The Long-term Care Program provides varying levels of services for people with chronic illnesses or disabilities who cannot take care of themselves for long periods of time. Services include bathing, dressing and using the bathroom and may be provided at home, in the community, in assisted living facilities or in nursing homes. Not all recipients are elderly. About 40 percent of the people receiving long-term care services are between the ages of 18 and 64.

For people who rely on Medi-Cal, long-term care is limited. Recipients, who may only keep \$2,000 in assets (or \$3,000 for a couple when both need care), plus a home, car, and some personal possessions. The vast majority of the long-term care that Medi-Cal pays for is nursing home care. It does not pay for room and board in an assisted living facility.

Most health insurance plans cover skilled, short-term medical care as patients recover from an illness or injury, but they rarely cover ongoing chronic care needs.

For more information about the CalPERS Long-term Care Program, call (800) 982-1775. Further details about the likely premium hikes will not be known until at least Nov. 17 when the CalPERS Health Benefits Committee meets.

Check out the CSEA Retirees, Inc. web site – www.calcsea.org/retirees—to see a new video aimed at recruiting new members to join our current 29,000 state retirees.

CSEA MEETING SCHEDULE

October

- 2 Deadline to return ballots for CalPERS Board of Administration Election

November

- 3 Election Day
- 5 CSEA Retirees Inc. Finance Committee Meeting, Hilton Garden Inn, Sacramento
- 6-8 SEIU Local 1000 SBAC, Holiday Inn, Sacramento
- 11 Veterans Day
- 13-15 CSUEU Board of Directors, Holiday Inn, Capitol Plaza
- 17-18 CSU Board of Trustees, Chancellor's Office, Long Beach
- 18 CalPERS Board of Directors Meeting, 400 Q Street, Sacramento

- 26 Thanksgiving
- 27 Day after Thanksgiving

December

- 10-14 SEIU Local 1000 Council Meeting, Holiday Inn, San Diego
- 16 CalPERS Board of Directors Meeting, 400 Q Street, Sacramento
- 25 Christmas Day

January

- 1 New Year's Day
- 18 Martin Luther King Jr.'s Birthday (observed)
- 30 CSEA Board of Directors, Sacramento (tentative)



Delegates at September 5-6 CSEA General Council.

No CSEA Fiscal, B&P, or Member Benefits Committee meetings have been scheduled.

FRIGHT FEST at 6 Flags

Join the **FRIGHT FEST FAMILY FUN DAY**, Saturday, October 17, 2009 at 6 Flags, Vallejo.

- **General Admission \$32** - (reg. Adult \$49.99, reg. Child, \$29.99) Includes admission to park, early dinner and free parking!
- **Haunted House Wristband \$5** - (reg. \$10) Have a frightening good time at Discovery Kingdom's Haunted Houses!
- **\$28 General Admission** (reg. Adult \$49.99, reg. Child \$29.99). Valid any operating day through November 1, 2009.
- **\$110 Dolphin Discovery** (reg. \$179.99). This pass does not include admission to the park. Swim with the Dolphins! A unique program that includes a fun classroom session followed by an up-close, interactive swim with the dolphins and trainers. Height requirement is 52". Participants over 52" but under 12 years of age must be accompanied by a paid adult participant. Reservation required.



View your Member Benefits and more, online at www.calcsea.org/benefits



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