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THIRD READING

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Bill No: AB 129  
Author: Committee on Budget  
Amended: 6/24/22 in Senate  
Vote: 21

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PRIOR VOTES NOT RELEVANT

SENATE BUDGET & FISCAL REVIEW COMMITTEE: 15-0, 6/27/22  
AYES: Skinner, Nielsen, Caballero, Cortese, Dahle, Durazo, Eggman, Kamlager,  
McGuire, Min, Newman, Ochoa Bogh, Pan, Stern, Wieckowski  
NO VOTE RECORDED: Grove, Laird, Melendez, Roth

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**SUBJECT:** State employment: State Bargaining Units 16 and 18: agreements

**SOURCE:** Author

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**DIGEST:** This bill makes necessary and conforming changes to ratify and implement memorandum of understanding (MOU) side letters between two bargaining units (BUs) and the state.

**ANALYSIS:** The agreements cover state employees represented by two exclusive employee representatives, as follows:

*Union of American Physicians and Dentists (UAPD)*

- Bargaining Unit 16: Physicians, Dentists, and Podiatrists

*California Association of Psychiatric Technicians (CAPT)*

- Bargaining Unit 18: Psychiatric Technicians

- 1) Establishes the Ralph C. Dills Act, which requires the state to collectively bargain with the exclusive representatives of employee groups (i.e., bargaining units) - regarding wages and working conditions, and to define negotiated agreements in MOUs.

- 2) Establishes the California Department of Human Resources (CalHR) as the official representative of the Governor in all matters related to collective bargaining with state employees.
- 3) Requires that any MOU between the state and an exclusive representative be ratified by the Legislature.
- 4) Establishes the California Public Employees' Retirement System (CalPERS), which administers health and retirement benefits for state employees.
- 5) Requires the Legislative Analyst's Office (LAO) to analyze all state MOUs and to provide analysis of an MOU and its fiscal impact to the Legislature within 10 days of receipt of an MOU from CalHR.
- 6) Provides that fully vested state retirees (e.g., with 20 or more years of state employment or with 25 years or more, depending on the bargaining unit) are entitled to an employer contribution for retiree health care equal to 80 or 100 percent of the weighted average premium of the four health plans most highly utilized by all members. Depending on the bargaining unit, dependents are eligible for a contribution based on 80 or 90 percent of the average additional premiums paid for dependents during the benefit year in which the formula is applied. These are referred to as the 80/80 and 100/90 formulas.
- 7) Requires that Medicare-eligible retirees enroll in Medicare and choose a Medicare-coordinated health plan.
- 8) Provides that the employer contribution for active state employee health care shall be determined through collective bargaining.

This bill ratifies two MOU side letter agreements entered into between the state and BU 16 (UAPD) on May 1, 2022, and BU 18 (CAPT) on May 3, 2022, notwithstanding the requirement for the LAO to produce a fiscal analysis. Includes provisions to take effect immediately. Specifically, this bill ratifies the following:

- 1) To retain and recruit psychiatric specialists, the side letters establish a 15% pay differential for psychiatrists and psychiatric technicians performing in-person treatment at five psychiatric in-patient (PIP) facilities within CDCR/California Correctional Health Care Services. The five PIPs include - California Health Care Facility, California Medical Facility, San Quentin State Prison, California Institution for Women, and Salinas Valley State Prison.

- 2) To qualify for the pay differential, employees must have worked in a PIP providing direct care to patients for more than 50% of the pay period.
- 3) The pay differential does not apply to overtime hours.
- 4) Appropriates \$14,002,000 General Fund ongoing for the purpose of state employee compensation, as provided.

**FISCAL EFFECT:** Appropriation: Yes Fiscal Com.: Yes Local: No

According to the Senate Budget and Fiscal Review Committee, this bill appropriates \$14,002,000 General Fund to implement the MOU side letters.

**SUPPORT:** (Verified 6/26/22)

None received

**OPPOSITION:** (Verified 6/26/22)

None received

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6/28/22 14:13:59

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