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# SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair  
2021 - 2022 Regular

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<b>Bill No:</b>	AB 212	<b>Hearing Date:</b>	June 27, 2022
<b>Author:</b>	Committee on Budget		
<b>Version:</b>	June 25, 2022 As amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Hans Hemann		

**Subject:** State employment: State Bargaining Units 5, 6, 7, and 8: agreements

**Summary:** Makes necessary and conforming changes to ratify and implement memorandum of understanding (MOU) side letter agreements between four bargaining units (BUs) and the state. The agreements cover state employees represented by four exclusive employee representatives, as follows:

California Association of Highway Patrolmen (CAHP)

- Bargaining Unit 5: California Highway Patrol Officers

California Correctional Peace Officers Association (CCPOA)

- Bargaining Unit 6: Correctional Peace Officers

California State Law Enforcement Association (CSLEA)

- Bargaining Unit 7: Protective Services and Public Safety

California Department of Forestry and Fire Protection Firefighters, CAL FIRE Local 2881

- Bargaining Unit 8: California Firefighters

**Existing Law:**

- 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.

**Proposed Law:** This bill ratifies four side letters entered into between the state and BUs 5, 6, 7 and 8, notwithstanding the requirement for the LAO to produce a fiscal analysis. Includes provisions to take effect immediately. Specifically, this measure ratifies the following:

**Public Safety Recognition Payment.** This bill ratifies MOU side letter agreements entered into between the state and BU 5 (CAHP) on June 9, 2022, BU 7 (CSLEA) on June 15, 2022, and BU 8 (CalFIRE Local 2881) on June 23, 2022, as follows:

- 1) A one-time payment of \$1,500 to employees who have served in-person supporting the delivery of public safety during the COVID-19 pandemic.
- 2) Eligible employees must have been employed by the state on January 1, 2022, and must have remained employed by the state through July 1, 2022.
- 3) Eligible employees include seasonal firefighters employed by CalFIRE at any point between January 1, 2022 through July 1, 2022.
- 4) Appropriates \$36,955,000 one-time (\$9,779,000 General Fund) for expenditure in the 2022-23 fiscal year for the cost of the bonuses.

**Health Care Facility Retention Payment.** This bill ratifies an MOU side letter entered into between the state and BU 6 (CCPOA) on June 15, 2022, as follows:

- 1) A one-time payment of \$1,500 to employees “who have been in-person supporting the delivery of care and safety to the most acute patients during the COVID-19 pandemic.”
- 2) Eligible employees must have been employed by the state on January 1, 2022, and must have remained employed by the state through July 1, 2022.

- 3) Eligible employees must be employed in a correctional facility, correctional health facility or in Statewide Transportation and were redirected to a correctional facility or a medical guarding unit.
- 4) Appropriates \$42,448,000 one-time General Fund for expenditure in the 2022-23 fiscal year for the cost of the bonuses.

**Fiscal Effect:** This bill appropriates \$79,403,000 one-time (\$52,227,000 General Fund) to implement the four side letters.

**Support:** None on file.

**Opposed:** None on file.

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